STRICTLY CONFIDENTIAL – DO NOT FORWARD

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) "QUALIFIED INSTITUTIONAL BUYERS" UNDER RULE 144A (AS DEFINED BELOW) OR (2) OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" AS DEFINED IN, AND IN RELIANCE ON, REGULATION S ("REGULATION S") UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT").

IMPORTANT: You must read this disclaimer before continuing. This disclaimer applies to the attached offering memorandum (the "**Offering Memorandum**") following this page. You are therefore advised to read this disclaimer carefully before reading, accessing, or making any other use of the attached Offering Memorandum. In accessing the attached Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Confirmation of your representation: By accepting and accessing the attached Offering Memorandum you are deemed to have represented to Deutsche Bank AG, Singapore Branch; Standard Chartered Bank; Axis Bank Limited, Singapore Branch; Barclays Bank PLC; and Emirates NBD PJSC (together, the "**Joint Lead Managers**") that (1) (i) you are not in the United States as defined in Regulation S and, to the extent you will purchase the securities described in the attached Offering Memorandum, you will be doing so in an "offshore transaction" as defined in, and pursuant to, Regulation S or (ii) you are acting on behalf of, or you are, a "qualified institutional buyer" ("**QIB**"), as defined in Rule 144A under the Securities Act ("**Rule 144A**"), and (2) you consent to the delivery of the attached Offering Memorandum and any amendments or supplements thereto by electronic transmission.

The attached Offering Memorandum has been made available to you in electronic form. You are reminded that documents may be altered when transmitted electronically and consequently none of JSW Infrastructure Limited (the "**Company**"), JSW Jaigarh Port Limited, JSW Dharamtar Port Private Limited, South West Port Limited, JSW Paradip Terminal Private Limited and Paradip East Quay Coal Terminal Private Limited (collectively, the "**Subsidiary Guarantors**"), or the Joint Lead Managers or any of their respective directors, employees, representatives, affiliates, or agents accept any liability or responsibility whatsoever in respect of any discrepancies between the Offering Memorandum distributed to you electronically and the hard copy version. A hard copy version will be provided to you upon request.

Restrictions: The attached Offering Memorandum is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described therein. The information in the attached Offering Memorandum is not complete and may be changed.

THE SECURITIES DESCRIBED THEREIN HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute a general advertisement or solicitation in the United States or elsewhere. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Joint Lead Manager or any affiliate of any Joint Lead Manager is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Joint Lead Manager or affiliate on behalf of the Company in such jurisdiction.

In accordance with the provisions of applicable Indian regulations, only investors that are residents of Financial Action Task Force ("**FATF**") or International Organization of Securities Commission's ("**IOSCO**") compliant jurisdictions, multilateral and regional financial institutions where India is a member country. By accessing the Offering Memorandum you shall be deemed to have represented to us that you are a resident of a FATF or an IOSCO compliant jurisdiction and that you are not (i) a multilateral or regional financial institution in which India is not a member country; (ii) an individual (a) which is not a foreign equity holder (as defined in the ECB Regulations) or (b) if the Notes cease to be listed on a stock exchange (which is not in India); or (iii) a foreign branch or subsidiary of an Indian bank. Further, the Notes will not be offered, directly or indirectly, in Gujarat International Finance Tec-City International Finance Services Centers or to, or for the account or benefit of, any resident in Gujarat International Finance Tec-City International Finance Services Centers.

The Offering Memorandum has not and will not be registered or produced or made available as an offer document whether as a prospectus in respect of a public offer or an information memorandum or private placement offer cum application letter or other offering material in respect of a private placement in accordance with the Companies Act, 2013 or rules framed thereunder, each as amended (the "**Companies Act**") and other applicable Indian laws for the time being in force with any of the Securities Exchange Board of India ("**SEBI**") or the Reserve Bank of India ("**RBI**") or the Registrar of Companies in India ("**RoC**") or any other regulatory or statutory authority of like nature in India, save and except for any information from any part of the Offering Memorandum which is (i) mandatorily required to be disclosed or filed in India under any applicable Indian laws, including, but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended, and under the listing agreement with any Indian stock exchange pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, or (ii) pursuant to the sanction of any regulatory and adjudicatory body in India.

You are reminded that you have accessed the attached Offering Memorandum on the basis that you are a person into whose possession it may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. If you have gained access to this electronic transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

Actions that you may not take: You should not reply by e-mail to this communication, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

You may not forward or deliver the attached Offering Memorandum, electronically or otherwise, to any other person or reproduce it in any manner whatsoever. Any forwarding, distribution, or reproduction of the attached Offering Memorandum, in whole or in part, is unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the securities laws of other jurisdictions.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

JSW Infrastructure Limited

(incorporated with limited liability in the Republic of India under the Companies Act, 1956)

U.S.$400,000,000 4.95% Senior Secured Notes due 2029

Issue Price: 100%

guaranteed by JSW Jaigarh Port Limited, JSW Dharamtar Port Private Limited, South West Port Limited, JSW Paradip Terminal Private Limited and Paradip East Quay Coal Terminal Private Limited

JSW Infrastructure Limited, a limited liability company incorporated under the laws of the Republic of India (the "**Company**" or the "**Issuer**"), is offering U.S.$400,000,000 aggregate principal amount of its 4.95% Senior Secured Notes due 2029 (the "**Notes**") guaranteed by JSW Jaigarh Port Limited, JSW Dharamtar Port Private Limited, South West Port Limited, JSW Paradip Terminal Private Limited and Paradip East Quay Coal Terminal Private Limited (collectively, the "**Subsidiary Guarantors**") (the "**Offering**").

The Notes will bear interest at a rate of 4.95% per annum and will mature on January 21, 2029. Interest on the Notes will be paid semi-annually in arrear on January 21 and July 21 of each year, commencing July 21, 2022. Payment on the Notes will be made free and clear of, without set-off or counterclaim and without withholding or deduction for or on account of any present or future taxes, duties, assessments, or governmental charges to the extent described under the terms and conditions of the Notes (the "**Conditions**"). See "*Terms and Conditions of the Notes — Taxation.*"

Upon the occurrence of a Trigger Event, the interest rate on the Notes will increase by 0.25 per cent. per annum with effect from the most recent Interest Payment Date preceding the Trigger Event until the redemption of the Notes, provided that such increase in the interest rate pursuant to the Conditions may occur no more than once. If, following an increase in the interest rate after a Trigger Event, the Company achieves the Sustainability Performance Target after the Target Observation Date, there will be no decrease to the interest rate of the Notes and the interest rate of the Notes will remain unchanged.

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed on January 21, 2029 (the "**Maturity Date**") at their principal amount together with accrued but unpaid interest (if any). The Notes may be redeemed at the option of the Issuer in whole or in part at their principal amount (together with interest accrued up to, but excluding, the date fixed for redemption) if the Issuer has or will become obliged to pay Additional Amounts (as defined in the Conditions) in the event of certain changes relating to taxation in India. Subject to the receipt of regulatory approval, the Issuer will, at the option of the Noteholders (as defined in the Conditions), redeem any outstanding Notes upon the occurrence of a Change of Control Triggering Event (as defined in the Conditions), at a redemption price of 101% of their principal amount, together with interest accrued to but excluding the date fixed for redemption. At any time, the Notes may be redeemed at the option of the Issuer in whole or in part, at any time on giving not less than 30 days' nor more than 60 days' written notice to the Noteholders at their principal amount, plus the Applicable Premium (as defined in the Conditions), together with interest accrued to but excluding the date fixed for redemption; provided that no Applicable Premium will be payable if the Notes are redeemed on or after October 21, 2028 (the "**Par Call Date**"). In addition, at any time prior to October 21, 2028, the Issuer may on any one or more occasions redeem up to 40% of the aggregate principal amount of the Notes with the net cash proceeds from certain equity offerings at the redemption price of 104.95%, together with interest accrued to, but excluding, the date fixed for redemption. See "*Terms and Conditions of the Notes — Redemption and Purchase*."

The Issuer accepts full responsibility for the accuracy of the information contained in this Offering Memorandum and confirms, having made all reasonable inquiries that, to the best of its knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. Prior to this offering there has been no market for the Notes. The Notes will constitute (subject to Condition 5.2 (*Limitation on Liens*)) direct, general, secured, unconditional and unsubordinated obligations of the Company and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Company under the Notes shall at all times rank at least *pari passu* with all of its other present and future outstanding secured, unconditional and unsubordinated obligations but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights. See "*Terms and Conditions of the Notes.*" The Notes will be effectively subordinated to all existing and future indebtedness and other liabilities (including trade payables) of our Subsidiaries to the extent they do not guarantee the Notes. The guarantees by each Subsidiary Guarantor (each, a "**Subsidiary Guarantee**") once executed, will constitute direct, general, unsecured and unsubordinated obligations of the Subsidiary Guarantors. The payment obligations of each Subsidiary Guarantor under its Subsidiary Guarantee shall at all times rank at least *pari passu* with all of its other present and future outstanding unsecured and unsubordinated obligations but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights. The Subsidiary Guarantees shall become effective within 90 (ninety) days from the Original Issue Date.

The Notes will be issued only in registered form in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. For a more detailed terms and conditions of the Notes, see "*Summary of the Offering*" beginning on page 28, and "*Terms and Conditions of the Notes*" beginning on page 172.

In-principle approval has been received from the Global Securities Market ("**GSM**") of the India International Exchange (IFSC) Limited ("**India INX**") for the listing and quotation of the Notes on the India INX. **The India INX has not approved or verified the contents of the listing particulars**. Admission of the Notes to the India INX and quotation of the Notes on the India INX is not to be taken as an indication of the merits of the Company or the Notes.

Investing in the Notes involves a high degree of risk. See "*Risk Factors*" beginning on page 34.

The Notes are expected to be assigned a rating of 'Ba2' by Moody's Investors Service ("**Moody's**") and 'BB+' by Fitch Ratings ("**Fitch**"). A rating is not a recommendation to buy, sell or hold the Notes and may be subject to suspension, reduction, or withdrawal at any time. A suspension, reduction or withdrawal of the rating assigned to the Notes may adversely affect the market price of the Notes. See "*Risk Factors — Risks Relating to the Market Generally — Credit ratings assigned to the Company or the Notes may not reflect all the risks associated with an investment in the Notes and ratings and outlook of the Notes and the Company may be downgraded or withdrawn*."

The Notes which are offered and sold in "offshore transactions" as defined in and in reliance on Regulation S ("**Regulation S**") under the Securities Act of 1933 (the "**Securities Act**") will be represented by beneficial interests in an unrestricted global certificate (the "**Unrestricted Global Certificate**") in registered form, without interest coupons attached, which will be registered in the name of the nominee for, and shall be deposited on or about January 21, 2022 (the "**Closing Date**") with, The Depositary Trust Company ("**DTC**"). The Notes which are offered and sold in reliance on Rule 144A under the Securities Act ("**Rule 144A**") will be represented by beneficial interests in a restricted global certificate (the "**Restricted Global Certificate**" and, together with the Unrestricted Global Certificate, the "**Global Certificates**") in registered form, without interest coupons attached, which will be deposited on or about the Closing Date with a custodian (the "**Custodian**") for, and registered in the name of, Cede & Co. as nominee for DTC. Upon issue, the Notes will be listed on the GSM of the India INX and will be delivered to investors through the book-entry facilities of DTC for the accounts of its participants, including Euroclear and Clearstream on or about the Closing Date. The Notes have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold within the United States, except pursuant to an exemption from, or in transactions not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold within the United States to "qualified institutional buyers" as defined in, and in reliance on, Rule 144A and outside the United States in "offshore transactions" as defined in and in reliance on Regulation S.

This Offering Memorandum has not been and will not be filed, produced, published or registered as an offer document (whether as a prospectus or a statement in lieu of prospectus in respect of a public offer, information memorandum or private placement offer letter or any other offering material in accordance with the Companies Act, 2013 or rules framed thereunder, each as amended (the "**Companies Act**") and other applicable Indian laws for the time being in force) with any of the Securities Exchange Board of India ("**SEBI**") or the Reserve Bank of India ("**RBI**") or Registrar of Companies ("**RoC**"), any Indian stock exchanges or any other regulatory or statutory authority in India, save and except for any information from any part of this Offering Memorandum which is (i) mandatorily required to be disclosed or filed in India under any applicable Indian laws, including, but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended, and under the listing agreement with any Indian stock exchange pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended or (ii) pursuant to the sanction of any regulatory and adjudicatory body in India. This Offering Memorandum has not been and will not be reviewed or approved by any regulatory authority in India or Indian stock exchange. This Offering Memorandum is not and should not be construed as an advertisement, invitation, offer or sale of any securities whether by way of private placement or to the public in India. The Notes will not be offered or sold, directly or indirectly, in India or to, or for the account or benefit of, any person resident in India. This Offering Memorandum or any other material relating to the Notes has not been and will not be circulated or distributed to any prospective investor which is an offshore branch or a subsidiary of an Indian bank. The Notes are not being issued and will not be sold to any prospective investor which is an offshore branch or a subsidiary of an Indian bank.

This Offering Memorandum is an advertisement and is not a prospectus for the purpose of Regulation (EU) 2017/1129 (as amended or superseded, the "**EU Prospectus Regulation**") or the EU Prospectus Regulation as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the "**EUWA**").

Sole Sustainability-Linked Notes Structuring Agent

Deutsche Bank

Joint Global Coordinators and Joint Bookrunners

Deutsche Bank **Standard Chartered Bank**

Joint Bookrunners

Axis Bank **Barclays** **Emirates NBD Capital**

The date of this Offering Memorandum is January 13, 2022.

In making your investment decision, you should rely only on the information contained in this Offering Memorandum. The Company and Deutsche Bank AG, Singapore Branch; Standard Chartered Bank; Axis Bank Limited, Singapore Branch; Barclays Bank PLC; and Emirates NBD PJSC (collectively, the "Joint Lead Managers") have not authorized anyone to provide you with any other information. If you receive any other information, you should not rely on it. The Company and the Joint Lead Managers are offering to sell the Notes only in places where offers and sales are permitted. You should not assume that the information contained in this Offering Memorandum is accurate as of any date other than the date on the front cover of this Offering Memorandum. Our business or financial condition and other information in this Offering Memorandum may change after that date.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

TABLE OF CONTENTS

	Page
IMPORTANT INFORMATION ABOUT THIS OFFERING MEMORANDUM	iii
ENFORCEABILITY OF CIVIL LIABILITIES	vii
PRESENTATION OF FINANCIAL AND OTHER INFORMATION	viii
CERTAIN DEFINED TERMS AND CONVENTIONS	x
EXCHANGE RATE INFORMATION	xii
INDUSTRY AND MARKET DATA	1
FORWARD-LOOKING STATEMENTS	3
DEFINITIONS AND ABBREVIATIONS	4
SUMMARY	13
SUMMARY FINANCIAL INFORMATION AND THROUGHPUT DATA	18
SUSTAINABILITY-LINKED BOND FRAMEWORK	26
SUMMARY OF THE OFFERING	28
RISK FACTORS	34
USE OF PROCEEDS	75
CAPITALIZATION	76
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	77
INDUSTRY OVERVIEW	95
OUR BUSINESS	115
BOARD OF DIRECTORS AND SENIOR MANAGEMENT	143
REGULATIONS AND POLICIES IN INDIA	147
PRINCIPAL SHAREHOLDERS	159
DESCRIPTION OF MATERIAL INDEBTEDNESS	160
LEGAL PROCEEDINGS	168
TERMS AND CONDITIONS OF THE NOTES	172
DESCRIPTION OF THE COLLATERAL AND SECURITY DOCUMENTS	223

GLOBAL CERTIFICATES 225

TAXATION 227

PLAN OF DISTRIBUTION. 234

TRANSFER RESTRICTIONS 242

LEGAL MATTERS. 245

INDEPENDENT ACCOUNTANTS 246

INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS F-1

IMPORTANT INFORMATION ABOUT THIS OFFERING MEMORANDUM

This Offering Memorandum is a confidential document that the Company is providing only to prospective purchasers of the Notes. You should read this Offering Memorandum before making a decision whether to purchase any Notes. You must not:

- use this Offering Memorandum for any other purpose;
- make copies of any part of this Offering Memorandum or give a copy of it to any other person; or
- disclose any information in this Offering Memorandum to any other person, other than a person retained to advise you in connection with the purchase of the Notes.

The Company has prepared this Offering Memorandum based on information the Company has or has obtained from sources the Company believes to be reliable. Summaries of documents contained in this Offering Memorandum may not be complete. The Company will make copies of actual documents available to you upon request. None of the Company or the Joint Lead Managers or the Trustee (as defined in the Conditions) or the Agents (as defined in the Conditions) or any of their respective officers, directors, employees, representatives, affiliates, advisers or agents or any person who controls any of them are providing you with any legal, investment, business, tax, or other advice in this Offering Memorandum. You should consult with your own counsel, accountants and other advisors as needed to assist you in making your investment decision and to advise you whether you are legally permitted to purchase the Notes.

This Offering Memorandum does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Notes may not be offered or sold, directly or indirectly, and this Offering Memorandum may not be distributed, in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. You must comply with all laws applicable in any jurisdiction in which you buy, offer, or sell the Notes or possess or distribute this Offering Memorandum, and you must obtain all applicable consents and approvals; none of the Company, the Subsidiary Guarantors, the Joint Lead Managers, the Trustee or the Agents or any of their respective officers, directors, employees, representatives, affiliates, advisers or agents or any person who controls any of them shall have any responsibility for any of the foregoing legal requirements.

The Notes are being offered and sold outside the United States in reliance on Regulation S and within the United States to qualified institutional buyers in reliance on Rule 144A. The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable securities laws of any other jurisdiction pursuant to registration or exemption therefrom. You may be required to bear the financial risk of an investment in the Notes for an indefinite period. None of the Company, the Subsidiary Guarantors, the Joint Lead Managers, the Trustee or the Agents or any of their respective officers, directors, employees, representatives, affiliates, advisers or agents or any person who controls any of them are making an offer to sell the Notes in any jurisdiction where the offer and sale of the Notes is prohibited. None of the Company, the Subsidiary Guarantors, the Joint Lead Managers, the Trustee or the Agents or any of their respective officers, directors, employees, representatives, affiliates, advisers or agents or any person who controls any of them is making any representation to you that the Notes are a legal investment for you.

This Offering Memorandum has not been and will not be reviewed or approved by any regulatory or statutory authority in India, including, but not limited to, the Securities and Exchange Board of India, the Reserve Bank of India, any Registrar of Companies or any stock exchange in India or any other statutory or regulatory body of like nature in India, save and except for any information from any part of this Offering Memorandum which is (i) mandatorily required to be disclosed or filed in India under any applicable Indian laws, including, but not limited to, the Securities and Exchange Board of India

(Prohibition of Insider Trading) Regulations 2015, as amended, and under the listing agreement with any Indian stock exchange pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended or (ii) pursuant to the sanction of any regulatory and adjudicatory body in India. This Offering Memorandum or any other offering document or material relating to the Notes have not been and will not be circulated or distributed, directly or indirectly, to any person or the public in India or otherwise generally distributed or circulated in India which would constitute an advertisement, invitation, offer or sale or solicitation of an offer to subscribe for or purchase any securities in violation of applicable Indian laws for the time being in force. The Notes will not be, offered or sold directly or indirectly, in India or to, or for the account or benefit of, any person resident in India. If you purchase any of the Notes, you will be deemed to have acknowledged, represented, and agreed that you are eligible to purchase the Notes under applicable laws and regulations and that you are not prohibited under any applicable law or regulation from acquiring, owning, or selling the Notes.

Each prospective purchaser of the Notes must comply with all applicable laws and rules and regulations in force in any jurisdiction in which it purchases, offers or sells the Notes and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and none of the Company, the Subsidiary Guarantors, the Joint Lead Managers, the Trustee or the Agents or any of their respective officers, directors, employees, representatives, affiliates, advisers or agents or any person who controls any of them shall have any responsibility therefor.

Neither the U.S. Securities and Exchange Commission, any U.S. state securities commission nor any non-U.S. securities authority nor any other authority has approved or disapproved of the Notes or determined if this Offering Memorandum is truthful or complete. Any representation to the contrary is a criminal offense.

The Company accepts responsibility for the information contained in this Offering Memorandum and confirms that all information with respect to the Company and the Notes which is material to the issue has been made in this Offering Memorandum. The Company has made all reasonable inquiries and confirms to the best of our knowledge, information and belief that the information contained in this Offering Memorandum with regard to us and our Subsidiaries and affiliates and the Notes is true and accurate in all material respects, that the opinions and intentions expressed in this Offering Memorandum are honestly held and that the Company is not aware of any other facts, the omission of which would make this Offering Memorandum or any statement contained herein misleading in any material respect.

None of the Joint Lead Managers or the Trustee or the Agents or any of their respective officers, directors, employees, representatives, affiliates, advisers or agents or any person who controls any of them makes any representation or warranty, express or implied, as to, and assume no responsibility for, the accuracy or completeness of the information contained in this Offering Memorandum. Nothing contained in this Offering Memorandum is, or shall be relied upon as, a promise or representation by the Joint Lead Managers, the Trustee or the Agents or any of their respective officers, directors, employees, representatives, affiliates, advisers or agents or any person who controls any of them as to the past, the present or the future.

The Joint Lead Managers, the Trustee and any Agent and their respective officers, directors, employees, representatives, affiliates, advisers and agents and any person who controls any of them accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which any of them might otherwise have in respect of this Offering Memorandum or any such statement.

The Company reserves the right to withdraw this offering at any time. The Company and the Joint Lead Managers may reject any offer to purchase the Notes in whole or in part for any reason or no reason, sell less than the entire principal amount of the Notes offered hereby or allocate to any purchaser less than all of the Notes for which it has subscribed. The Joint Lead Managers and certain of their respective related entities may acquire, for their own accounts, a portion of the Notes.

The information set out in relation to sections of this Offering Memorandum describing clearing and settlement arrangements, including in the "*Terms and Conditions of the Notes*" is subject to a change in or reinterpretation of the rules, regulations, and procedures of Euroclear or Clearstream currently in effect. While the Company accepts responsibility for accurately summarizing the information concerning Euroclear or Clearstream, the Company accepts no further responsibility in respect of such information.

The information set out in relation to sections of this Offering Memorandum describing clearing and settlement arrangements, including in "*Global Certificates*" is subject to a change in or reinterpretation of the rules, regulations, and procedures of DTC currently in effect. While we accept responsibility for accurately summarizing the information concerning DTC, we accept no further responsibility in respect of such information.

IN CONNECTION WITH THIS OFFERING, DEUTSCHE BANK AG, SINGAPORE BRANCH (THE "STABILIZING MANAGER") (OR PERSONS ACTING ON ITS BEHALF) MAY OVER-ALLOT OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL OTHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, NO ASSURANCE CAN BE GIVEN THAT THE STABILIZING MANAGER (OR PERSONS ACTING ON ITS BEHALF) WILL UNDERTAKE STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE FINAL TERMS OF THIS OFFERING IS MADE AND, IF BEGUN, MAY BE DISCONTINUED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 CALENDAR DAYS AFTER THE ORIGINAL ISSUE DATE AND 60 CALENDAR DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILIZATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILIZING MANAGER (OR PERSONS ACTING ON ITS BEHALF) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES. FOR A DESCRIPTION OF THESE ACTIVITIES, SEE "*PLAN OF DISTRIBUTION*."

EU MiFID II PRODUCT GOVERNANCE: Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling, or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

EU PRIIPs REGULATION/PROHIBITION OF SALES TO EEA RETAIL INVESTORS — The Notes are not intended to be offered, sold, or otherwise made available to and should not be offered, sold, or otherwise made available to any EEA Retail Investor in the European Economic Area ("**EEA**"). For these purposes, an "EEA Retail Investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to EEA Retail Investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any EEA Retail Investor in the EEA may be unlawful under the EU PRIIPs Regulation.

UK PRIIPs REGULATION/PROHIBITION OF SALES TO UK RETAIL INVESTORS — The Notes are not intended to be offered, sold, or otherwise made available to and should not be offered, sold, or otherwise made available to any UK Retail Investor in the United Kingdom ("**UK**"). For these purposes, a "UK Retail Investor" means a person who is one (or more) of the following: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the "**EUWA**"), subject to amendments made by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (SI 2018/1403) (as may

be amended or superseded from time to time); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA, subject to amendments made by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (SI 2018/1403) (as may be amended or superseded from time to time). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA, subject to amendments made by the Packaged Retail and Insurance-based Investment Products (Amendment) (EU Exit) Regulations 2019 (SI 2019/403) (as may be amended or superseded from time to time (the "**UK PRIIPs Regulation**")) for offering or selling the Notes or otherwise making them available to UK Retail Investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any UK Retail Investor in the UK may be unlawful under the UK PRIIPs Regulation.

This Offering Memorandum has not been approved by an authorized person in the United Kingdom. The Notes may not be offered or sold other than to persons whose ordinary activities involve these persons in acquiring, holding, managing, or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Company. In addition, no person may communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes other than in circumstances in which Section 21(1) of the FSMA does not apply to the Company or any Subsidiary Guarantor.

ENFORCEABILITY OF CIVIL LIABILITIES

The Company is a limited liability company incorporated under the laws of India. Most of its directors and key management personnel named herein reside in India and a substantial portion of the assets of the Company and such directors and key management personnel are located in India. As a result, it may not be possible for investors outside India to effect service of process on the Company or such persons in jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India, including the United States.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for on a statutory basis under Section 13 and Section 44A of the Code of Civil Procedure, 1908 (the "**Civil Code**").

Section 13 of the Civil Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title, except where: (i) the judgment has not been pronounced by a court of competent jurisdiction; (ii) the judgment has not been given on the merits of the case; (iii) it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) the proceedings in which the judgment was obtained were opposed to natural justice; (v) the judgment has been obtained by fraud; or (vi) the judgment sustains a claim founded on a breach of any law then in force in India. A foreign judgment which is conclusive under Section 13 of the Civil Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution.

Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court (within the meaning of such section) in any country or territory outside India which the Government of India (the "**GoI**") has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees, which are not amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalty, and does not apply to an arbitration award, even if such award is enforceable as a decree or judgment.

Under Section 14 of the Civil Code, an Indian court shall, on production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on the record and such presumption may be displaced by proving want of jurisdiction.

Each of the United Kingdom, United Arab Emirates, Singapore, and Hong Kong (among others) have been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the Civil Code. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced in India only by a fresh suit upon the judgment, subject to Section 13 of the Civil Code, and not by proceedings in execution. Such a suit to enforce a foreign judgment must be filed in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced in India only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court would if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it were of the view that the amount of damages awarded was excessive or inconsistent with public policy in India. A party seeking to enforce a foreign judgment in India is required to obtain approval from the Reserve Bank of India ("**RBI**") under the Foreign Exchange Management Act, 1999, as amended ("**FEMA**"), to repatriate outside India any amount recovered pursuant to execution of such foreign judgment and any such amount may be subject to income tax in accordance with applicable laws. Any judgment awarding damages in a foreign currency would be converted into Rupees on the date of the judgment and not on the date of the payment. We cannot predict whether a suit brought and instituted in an Indian court will be disposed of in a timely manner or be subject to considerable delay.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial Data

In this Offering Memorandum, unless otherwise specified or unless the context requires otherwise, all our financial information is presented on a consolidated basis.

With effect from April 1, 2016, companies in India having a certain threshold net worth, including the Company, are required to prepare financial statements in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended ("**IND-AS**"). IND-AS converge with the International Financial Reporting Standards ("**IFRS**") with some differences.

Accordingly, the annual audited consolidated financial statements of the Group as at and for the years ended March 31, 2019, 2020 and 2021 have been prepared in accordance with IND-AS and the unaudited condensed consolidated interim financial statements of the Group as at and for the six months ended September 30, 2021 has been prepared in accordance with IND-AS 34. The annual audited consolidated financial statements of the Group as at and for the years ended March 31, 2019, 2020, and 2021 are herein referred to as the "**Audited Consolidated Financial Statements**." The unaudited condensed consolidated interim financial statements of the Group as at and for the six months ended September 30, 2021 are herein referred to as the "**Unaudited Condensed Consolidated Interim Financial Statements**" and, together with the Audited Consolidated Financial Statements, the "**Group Consolidated Financial Statements**."

In making an investment decision, investors must rely on their own examination of us and our business, the terms of the offering and the financial information contained in this Offering Memorandum. Potential investors should consult their own professional advisers for an understanding of the differences between IFRS and IND-AS, and how these differences might affect their understanding of the financial information contained herein.

Information in the Group Consolidated Financial Statements is, unless otherwise stated therein, stated in Rupees in "lakh." Unless otherwise specified, financial information that is presented in the rest of this Offering Memorandum has been (i) translated from Rupees in "lakh" in the Group Consolidated Financial Statements to Rupees in millions; and (ii) rounded to the nearest one-tenth million Rupees. One crore is equal to 10 million Rupees and 10 lakhs is equal to one million Rupees.

The Consolidated Audited Financial Statements have been audited by HPVS & Associates, Chartered Accountants ("**HPVS**"), as set forth in their audit reports included herein. The Condensed Consolidated Interim Financial Statements have been reviewed by HPVS, as set forth in their review report included herein.

Non-GAAP Financial Measures

As used in this Offering Memorandum, a non-GAAP financial measure is one that purports to measure historical financial performance, financial position, or cash flows, but excludes or includes amounts that would not be so adjusted in the most comparable IFRS/IND-AS measures. From time to time, reference is made in this Offering Memorandum to such "non-GAAP financial measures," including EBITDA, EBITDA margin, total borrowings, cash, profit before tax, net worth and net debt to equity ratio. Our management believes that EBITDA, EBITDA margin, total borrowings, cash, profit before tax, net worth, net debt to equity ratio and other non-GAAP financial measures are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, IND-AS, Indian Generally Accepted Accounting Principles, IFRS or U.S. Generally Accepted Accounting Principles. However, the Group's management believes that they provide investors with additional information about our performance, as well as ability to incur and service debt and fund capital expenditure, and are measures commonly used by investors. For more detailed information, see "*Summary Financial Information and Throughput Data*." The non-GAAP financial measures described herein are not a substitute for IFRS/IND-AS measures of earnings and may not be comparable to similarly titled measures reported by other companies due to differences in the way these measures are calculated.

Comparability of financials

The Group and the Company has adopted IND-AS 116 Leases, a new accounting standard which replaced the existing lease standard and became mandatory for reporting periods beginning on or after April 1, 2019. We have applied a modified retrospective approach for transitioning to IND-AS 116 with the right of use assets recognized at an amount equal to lease liability adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. Further, we have disclosed lease liability as a separate line item on the face of balance sheet including finance lease obligation recognized and considered as borrowings until March 31, 2019 under the erstwhile lease standard. Also, the lease expenses relating to operating lease contracts which were being disclosed as part of 'Other expenses' until March 31, 2019 are now disclosed as depreciation and amortization expense and finance costs in the profit and loss account on transition to IND-AS 116 from April 1, 2019.

Further, the Ministry of Corporate Affairs, through its notification dated March 24, 2021, amended Schedule III to the Companies Act, 2013 effective from April 1, 2021. These amendments result in certain regrouping as at and for the year ended March 31, 2021, which has been carried out in the comparative presented in the Condensed Consolidated Interim Financial Statements prepared by the Group as at and for the six months ended September 30, 2021.

The summary consolidated financial data for the Group as at the end of and for each of the years ended March 31, 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021 contained in this Offering Memorandum have been derived or calculated from the Group Consolidated Financial Statements included elsewhere in this Offering Memorandum, unless stated otherwise.

Further, the revenue from operations within India and revenue from operations outside India, wherever presented in this Offering Memorandum have been presented on the basis of IND-AS 108 Operating Segments and have been derived from the Audited Consolidated Financial Statement of the Group for the respective year.

Rounding

In this Offering Memorandum, where information has been presented in percentages, thousands or millions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding. References to information in billions of units are to the equivalent of thousand million units.

Currency Translations

We have translated certain Rupee amounts included in this Offering Memorandum into U.S. dollars using the exchange rate of ₹74.2551 per U.S.$1.00 on September 30, 2021 based on the reference rates released by the FBIL, which are available on the website of the FBIL.

The U.S. dollar equivalent information presented in this Offering Memorandum is provided solely for the convenience of the reader and should not be construed as implying that any Rupee amounts referred to could have been, or could be, converted into U.S. dollars at any particular rate, the rate stated above, or at all.

Website

The information on our websites, any website referred to herein or any website directly or indirectly linked to such websites, is not incorporated by reference into this Offering Memorandum and should not be relied upon.

CERTAIN DEFINED TERMS AND CONVENTIONS

In this Offering Memorandum, unless the context otherwise indicates or implies, references to "**you**," "**your**," "**offeree**," "**purchaser**," "**subscriber**," "**recipient**," "**investors**," "**prospective investors**" and "**potential investor**" are to the prospective investors in this offering, references to "**our Company**" and "**our Group**" are to JSW Infrastructure Limited, and references to "**we**," "**us**" or "**our**" are to JSW Infrastructure Limited and its Subsidiaries on a consolidated basis.

In this Offering Memorandum, references to "**Rs.**," "**INR**," "**Rupees**" and "**₹**" are to Indian rupees, the legal currency of India, references to "**U.S. dollars**," "**USD**" and "**U.S.$**" are to United States dollars, the legal currency of the United States, references to "**Euro**," "**EUR**" or "**€**" are to the common currency of the Eurozone countries and references to "**S$**" are to the official currency of Singapore. References herein to the "**U.S.**" or the "**United States**" are to the United States of America and its territories and possessions, references to "**India**" are to the Republic of India and its territories and possessions and references to "**China**" are to the People's Republic of China.

Any reference in this Offering Memorandum to any law, regulation or notification is a reference to such law, regulation or notification as the same may have been, or may from time to time be, amended, supplemented or replaced.

Unless otherwise stated, references in this Offering Memorandum to a particular year are to the calendar year ended/ending on December 31 and to a particular "**Fiscal Year**" are to the year ended/ending on March 31.

IND-AS differs in certain significant respects from International Financial Reporting Standards ("**IFRS**") and United States Generally Accepted Accounting Principles ("**U.S. GAAP**") and, accordingly, the degree to which the financial statements prepared in accordance with IND-AS included in this Offering Memorandum will provide meaningful information is entirely dependent on the reader's familiarity with the accounting policies. For details regarding the accounting firm that has audited the Audited Consolidated Financial Statements and the Unaudited Condensed Consolidated Interim Financial Statements, see "*Independent Accountants*."

Our Company does not provide a reconciliation of its financial statements to IFRS or U.S. GAAP financial statements. For further details, see "*Risk Factors — Risks Relating to India — Differences exist between IND-AS and other accounting principles, such as U.S. GAAP and IFRS. Accordingly, the degree to which the financial statements prepared and presented in accordance with IND-AS contained in this Offering Memorandum will provide meaningful information is dependent on the investor's familiarity with IND-AS and the Companies Act, 2013*."

Presentation of Capacity Information

Information included in this Offering Memorandum regarding the throughput capacity of the terminals we operate is based upon estimates we have made based upon, among other things:

- market conditions, such as the types of ships that utilize the terminal, call schedules and container box exchange rates;
- the layout and availability of the physical infrastructure of the terminal, including the quay length, the continuity of the berths, yard area and the time that containers remain on the yard after being removed from the vessel; and
- equipment installed and available at the terminal.

Such estimates require significant subjective assessments and have not been audited or confirmed by any third party. We must also make similar subjective assessments in determining the capacity of terminals we

bid for and acquire. While we believe that our methods for determination are consistent with industry standards, there are no prescribed guidelines for estimating capacity levels and other companies in the container terminal industry may calculate and present capacity data in a different manner. Caution should be used in comparing its data with data presented by other companies as the data may not be directly comparable.

EXCHANGE RATE INFORMATION

The following table sets forth, for the periods indicated, certain information concerning the exchange rates between Rupees and U.S. dollars. The exchange rates reflect the rates as reported by the FBIL or the RBI, as the case may be.

Period[1]	Period end	Average	High	Low
2013	54.28	54.43	57.33	50.52
2014	59.89	60.47	68.85	53.67
2015	62.50	61.15	63.68	58.46
2016	66.25	65.45	68.71	62.19
2017	64.84	67.09	68.72	64.84
2018	65.04	64.45	65.76	63.35
2019	69.17	69.76	74.38	64.87
2020	75.39	70.88	76.15	68.36
2021	73.50	74.20	76.81	72.39
April 2021	74.02	74.47	75.17	73.31
May 2021	72.52	73.27	74.18	72.48
June 2021	74.35	73.56	74.37	72.77
July 2021	74.39	74.53	74.86	74.28
August 2021	73.15	74.18	74.43	73.15
September 2021	74.26	73.56	74.26	72.96
October 2021	74.79	74.92	75.46	74.24
November 2021	75.09	74.50	75.09	73.92
December 2021	74.74	75.46	76.25	74.74

Note:

(1) Represents the financial year ended March 31 of the year indicated.

The exchange rate on September 30, 2021 was ₹74.2551 per U.S.$1.00.

Although certain Rupee amounts in this Offering Memorandum have been translated into U.S. dollars for convenience, this does not mean that the Rupee amounts referred to could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated above, or at all.

INDUSTRY AND MARKET DATA

Information regarding market position, growth rates and other industry data pertaining to our businesses contained in this Offering Memorandum consists of estimates based on data reports compiled by professional organizations and analysts, data from other external sources and our knowledge of the markets in which we compete. The statistical information included in this Offering Memorandum relating to the industries in which we operate has been reproduced from various trade, industry and government publications and websites including:

- Cabinet, Government of India;
- CRISIL;
- Dedicated Freight Corridor Corporation of India Limited;
- International Energy Agency;
- International Monetary Fund;
- Ministry of Commerce & Industry, Government of India;
- Ministry of Finance, Government of India;
- Ministry of Ports, Shipping & Waterways, Government of India;
- Ministry of Railways, Government of India;
- Ministry of Statistics and Program Implementation, Government of India;
- Netherlands Enterprise Agency; and
- World Bank.

This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Publications from industry sources generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analyses and estimates, so we rely on internally developed estimates. While we have compiled, extracted and reproduced this data from external sources, including third parties, trade, industry or general publications, we accept responsibility for accurately reproducing such data. However, neither we nor the Joint Bookrunners, the Trustee or the Agents or any person who controls them, or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers, have independently verified this data and neither we nor the Joint Bookrunners, the Trustee or the Agents or any person who controls them, or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers, make any representation regarding the accuracy of such data. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the Joint Bookrunners, the Trustee or the Agents or any person who controls them or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers, can assure potential investors as to their accuracy. Internal and third-party estimates and projections cited in this Offering Memorandum are subject to significant uncertainties that could cause actual data to differ materially from the estimated or projected figures. No assurances are or can be given that these figures will be achieved. As a result, you are cautioned against undue reliance on such information. The extent

to which the market and industry data contained in this Offering Memorandum is meaningful depends on the investor's familiarity with an understanding of the methodologies used in compiling such data.

Disclaimer of CRISIL Research

*CRISIL Research, a division of CRISIL Limited ("**CRISIL**") has taken due care and caution in preparing its report cited under "Industry Overview" (the "**Report**") based on the information obtained by CRISIL from sources which it considers reliable ("**Data**"). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data or the Report and is not responsible for any errors or omissions in or for the results obtained from the use of the Data or the Report. The Report does not constitute a recommendation to invest or disinvest in any entity covered in the Report and no part of the Report should be construed as expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers/users/transmitters/distributors of the Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. JSW Infrastructure Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL Ratings Limited/CRISIL Risk and Infrastructure Solutions Ltd ("**CRIS**"), which may, in their regular operations, obtain information of a confidential nature. The views expressed in the Report are that of CRISIL Research and not of CRISIL Ratings Limited/CRIS. No part of the Report may be published or reproduced in any form without CRISIL's prior written approval.*

FORWARD-LOOKING STATEMENTS

Certain statements in this Offering Memorandum are not historical facts and are forward-looking statements. This Offering Memorandum may contain words such as "believe," "could," "may," "will," "target," "estimate," "project," "predict," "forecast," "guideline," "should," "plan," "expect," and "anticipate" and similar expressions that are intended to identify forward-looking statements but are not the exclusive means of identifying these statements. All statements regarding our expected financial condition and results of operations and business plans and prospects are forward-looking statements. In particular, "*Summary*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," and "*Our Business*" contain forward-looking statements, including relating to market trends, capital expenditure and other factors affecting us that are not historical facts.

Forward-looking statements are subject to certain risks and uncertainties, including, but not limited to:

- the ongoing coronavirus ("**COVID-19**") pandemic;
- changes in global economic, political, and social conditions;
- accidents and natural disasters in India or in other countries in which we operate or globally, including specifically India's neighboring countries;
- our business and operating strategies and our ability to implement such strategies;
- our ability to successfully implement our growth and expansion plans, technological changes, exposure to market risks and foreign exchange risks that have an impact on business activities;
- our ability to ensure continuity of senior management and ability to attract and retain key personnel;
- the implementation of new projects, including future acquisitions and financings;
- the availability and terms of external financing;
- changes in exchange controls, import controls or import duties, levies, or taxes, either in international markets or in India;
- changes in laws, regulations, taxation or accounting standards or practices that affect us;
- changes in prices or demand for the products produced by us both in India and in international markets;
- changes in the value of the Rupee against major global currencies and other currency changes; and
- other factors discussed in this Offering Memorandum, including under "*Risk Factors*," "*Industry Overview*" and "*Our Business.*"

Forward-looking statements involve inherent risks and uncertainties. If one or more of these or other uncertainties or risks materialize, actual results may vary materially from those estimated, anticipated, or projected. Specifically, but without limitation, capital costs could increase, projects could be delayed, and anticipated improvements in capacity, performance or profit levels might not be fully realized. Although we believe that the expectations of our management as reflected by such forward-looking statements are reasonable based on information currently available to it, no assurances can be given that such expectations will prove to have been correct. Accordingly, you are cautioned not to place undue reliance on the forward-looking statements, which speak only as at the date they are made. We do not undertake any obligation to update or revise any of them, whether as a result of new information, future developments or otherwise.

DEFINITIONS AND ABBREVIATIONS

This Offering Memorandum uses the definitions and abbreviations set forth below, unless otherwise specified, which you should consider when reading the information contained herein.

"**%**" or "**per cent.**"	per cent.
"**Air Act**"	the Air (Prevention and Control of Pollution) Act, 1981, as amended
"**ARCL**"	Amba River Coke Limited
"**Articles of Association**" or "**Articles**"	the Articles of Association of our Company, as amended from time to time
"**Auditor**"	HPVS & Associates
"**Board**" or "**Board of Directors**"	the board of directors of our Company
"**BOOT**"	build-own-operate transfer
"**BOT**"	build-own transfer
"**BPSL**"	Bhusan Power and Steel Limited
"**CAGR**"	compounded annual growth rate
"**capesize**"	vessels with carrying capacity of up to 190,000 metric tons
"**CBDT**"	Central Board of Direct Taxes
"**CEO**"	Chief Executive Officer
"**CFO**"	Chief Financial Officer
"**Chettinad Group**"	the group of companies founded as the Annamalai Chettiar Group by Annamalai Chettiar, including Chettinad Builders Private Limited
"**Civil Code**"	Code of Civil Procedure, 1908, as amended
"**Clearing Systems**"	DTC, Euroclear and Clearstream
"**Clearstream**"	Clearstream Banking S.A.
"**CLRA**"	the Contract Labor (Regulation and Abolition) Act, 1970, as amended
"**CO_2**"	carbon dioxide
"**CO2e**"	carbon dioxide equivalent
"**Companies Act**" or "**Companies Act, 2013**"	the Companies Act, 2013, together with the rules thereunder

"**Company**"	JSW Infrastructure Limited, a public limited company incorporated under the Companies Act, 1956
"**Conditions**"	Terms and Conditions of the Notes
"**CRISIL**"	CRISIL Limited, a division of S&P Global Inc.
"**CRZ**"	Coastal Regulation Zone
"**CRZ Notification 2018**"	Coastal Regulation Zone Notification, 2018
"**Customs Act**"	the Customs Act, 1962, as amended
"**DFC**"	Dedicated Freight Corridor
"**DFCCIL**"	Dedicated Freight Corridor Corporation of India Ltd
"**Dharamtar Port**"	the Group's port in Dolvi, Maharashtra's Raigad District, located approximately 23 nautical miles from Mumbai Harbor through the river Amba
"**Directors**"	Directors on the Board, as may be appointed from time to time
"**DNV**"	DNV GL Business Assurance India Private Limited, India
"**Dock Workers Act**"	the Dock Workers (Regulation of Employment) Act, 1948, as amended
"**Dock Workers Inapplicability Act**"	the Dock Workers (Regulation of Employment) (Inapplicability of Major Ports) Act, 1997, as amended
"**Dock Workers Safety Act**"	the Dock Workers (Safety, Health and Welfare) Act, 1986, as amended
"**DPD**"	Direct Port Delivery
"**DPE**"	Direct Port Entry
"**DWT**"	dead weight
"**ECA**"	the Employee's Compensation Act, 1923, as amended
"**ECB**"	external commercial borrowings
"**ECB Guidelines**"	together, the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 and the rules, regulations, circulars or notifications issued by the RBI in relation to ECBs including the Master Direction — External Commercial Borrowings, Trade Credits and Structured Obligations, issued by the RBI on March 26, 2019, the circular on External Commercial Borrowings (ECB) Policy — Rationalization of End-use Provisions dated July 30, 2019 and the Master Direction on Reporting under Foreign Exchange Management Act, 1999 dated January 1, 2016, each as amended from time to time

"**ED**"	Enforcement Directorate
"**Ennore Bulk Terminal**"	the Group's bulk terminal owned by Ennore Bulk Terminal Private Limited (formerly known as Chettinad International Bulk Terminal Private Limited) located in Ennore Port in Tamil Nadu
"**Ennore Coal Terminal**"	the Group's coal terminal owned by Ennore Coal Terminal Private Limited (formerly known as Chettinad International Coal Terminal Private Limited) located in Ennore Port in Tamil Nadu
"**Ennore Port Terminals**"	the Group's Ennore Bulk Terminal and Ennore Coal Terminal located in Ennore Port in Tamil Nadu
"**EoDB**"	Ease of Doing business
"**EPA**"	the Environment Protection Act, 1986, as amended
"**EPCG**"	Export Promotion Capital Goods
"**EPFA**"	the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, as amended
"**Equity Shares**"	ordinary shares in the capital of our Company of face value of ₹10 each
"**ESG**"	Environmental, Social and Governance
"**ESOP**"	employee stock ownership plan
"**Euroclear**"	Euroclear Bank SA/NV
"**Exchange Act**"	the U.S. Securities Exchange Act of 1934
"**FATF**"	Financial Action Task Force
"**FBIL**"	Financial Benchmarks India Private Limited
"**FCY ECB**"	foreign currency denominated ECBs
"**FDI**"	Foreign Direct Investment
"**FEMA**"	Foreign Exchange Management Act, 1999, together with the rules and regulations thereunder
"**Fiscal Year**" or "**FY**"	period of 12 months ending/ended March 31 of that particular year
"**Fitch**"	Fitch Ratings
"**FSRU**"	Floating Storage and Regasification Unit
"**Fujairah Port**" or "**Port of Fujairah**"	Fujairah Port is located in Fujairah, UAE

"**Fujairah Terminal**"	the two terminals operated by JSW Terminal (Middle East) FZE under O&M arrangements located in Fujairah Port
"**GAAR**"	General Anti-Avoidance Rules
"**GDP**"	Gross Domestic Product
"**GHG**"	greenhouse gas
"**GJ**"	Gigajoule
"**GoI**" or "**Government**"	Government of India
"**GRI**"	Global Reporting Institute
"**GRI Standards**"	the GRI Sustainability Reporting Standards published by the GRI
"**Group**"	the Company and its Subsidiaries
"**GST**"	goods and services tax
"**Handymax**"	vessels with carrying capacity of up to 40,000 metric tons
"**HTL**"	High Tide Line
"**ICMA**"	International Capital Market Association
"**ID**"	Independent Director
"**ID Act**"	Industrial Disputes Act, 1947, as amended
"**IFC Standards**"	International Finance Corporation Standards
"**IFRS**"	International Financial Reporting Standards
"**IMDG**"	International Maritime Dangerous Goods
"**IMF**"	International Monetary Fund
"**Income-tax Act**"	Income-tax Act, 1961, as amended
"**IND-AS**"	Indian Accounting Standards as notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended)
"**India INX**"	India International Exchange (IFSC) Limited
"**Indian Ports Act**"	the Indian Ports Act, 1908, as amended
"**Indian Ports Bill**"	the Indian Ports Bill, 2018, as amended
"**INR ECB**"	Rupee denominated ECBs

"**Interest on Advances Directions**"	the Master Direction — Reserve Bank of India (Interest Rate on Deposits) Directions, 2016, read with the Master Direction — Reserve Bank of India (Interest Rate on Advances) Directions, 2016, as amended
"**IOSCO**"	International Organization of Securities Commission
"**ISO**"	International Organization for Standardization
"**IT**"	information technology
"**Jaigarh Port**"	the Group's port in the Ratnagiri district in Maharashtra
"**JMD**"	Joint Managing Director
"**Joint Bookrunners**" or "**Joint Lead Managers**"	Deutsche Bank AG, Singapore Branch; Standard Chartered Bank; Axis Bank Limited, Singapore Branch; Barclays Bank PLC; and Emirates NBD PJSC
"**JSW Cement**"	JSW Cement Limited
"**JSW Energy**"	JSW Energy Limited
"**JSW Group**"	the Company, JSW Steel Limited, JSW Energy Limited, JSW Cement Limited and JSW Paints Private Limited, their respective subsidiaries and holding companies, for the time being
"**JSW Steel**"	JSW Steel Limited
"**JSW Steel Coated**"	JSW Steel Coated Products Limited
"**JSW Techno**"	JSW Techno Projects Management Private Limited
"**JSWIPHPL**"	JSW IP Holdings Private Limited
"**KPI**"	Key Performance Indicator
"**kg**"	Kilograms
"**kg CO2e/tch**"	kg of CO_2 equivalent per metric ton of cargo handled
"**kl**"	Kiloliters
"**km**"	Kilometers
"**KMP**"	Key Managerial Personnel
"**LIBOR**"	London Interbank Offering Rate
"**LNG**"	liquified natural gas
"**LPG**"	liquified petroleum gas
"**LRN**"	loan registration number

"**LTL**"	Low Tide Line
"**Major Ports**"	ports handling cargo traffic tonnage of around 20 MMT per year
"**Major Ports Act**"	Major Port Trust Act, 1963, as amended
"**MAMP**"	minimum average maturity period
"**Mangalore Coal Terminal**"	the Group's coal terminal owned by MCTPL located in NMPT
"**MAT**"	Minimum Alternate Tax
"**MBC**"	mini bulk carriers
"**MCA**"	Model Concession Agreement
"**MCTPL**"	Mangalore Coal Terminal Private Limited (formerly known as Chettinad Mangalore Coal Terminal Private Limited)
"**Memorandum of Association**" or "**Memorandum**"	Memorandum of Association of our Company, as amended from time to time
"**minicape**"	vessels with carrying capacity of up to 120,000 metric tons
"**MMT**"	million metric tons
"**MMTPA**"	million metric tons per annum
"**MoEF**"	the Ministry of Environment, Forests and Climate Change, GoI
"**MoSPI**"	Ministry of Statistics and Program Implementation
"**Moody's**"	Moody's Investors Service
"**MPT Act**"	the Major Port Trust Act, 1963, as amended
"**MWA**"	the Minimum Wages Act, 1948, as amended
"**Nandgaon Jetty**"	the Group's jetty at village Nandgaon, Taluk Palghar, Than District Maharashtra
"**NED**"	Non-Executive Director
"**NGRBC**"	The National Guidelines for Responsible Business Conduct
"**NMPT**"	New Mangalore Port Trust, a modern all-weather port situated at Panambur, Mangalore on the west coast of India, 170 nautical miles south of Mormugao Port and 191 nautical miles north of Cochin Port
"**Non-Major Ports**"	ports that are not Major Ports
"**Non-Resident**"	a person resident outside India, as defined under the FEMA and includes a Non-Resident Indian

"**Noteholders**"	Holders of the Notes
"**Notes**"	the U.S.$400,000,000 4.95 per cent. Senior Secured Notes due 2029 of our Company
"**O&M**"	operations and maintenance
"**O&M Ports**"	operations and maintenance ports
"**OECD Guidelines**"	Organization for Economic Co-operation and Development Guidelines
"**OHSAS**"	Occupational Health and Safety Assessment Series
"**Panamax**"	vessels with a carrying capacity of up to 80,000 metric tons
"**Paradip Iron Ore Terminal**"	the Group's iron ore terminal located in Paradip Port Trust, strategically situated 210 nautical miles south of Kolkata and 260 nautical miles north of Visakhapatnam
"**PBA**"	the Payment of Bonus Act, 1965, as amended
"**PCBs**"	Pollution Control Boards
"**PFCE**"	Private Final Consumption Expenditure
"**PGA**"	the Payment of Gratuity Act, 1972, as amended
"**POEM**"	place of effective management
"**POL**"	petroleum, oils and lubricants
"**PPP**"	public-private partnership
"**PWA**"	the Payment of Wages Act, 1936, as amended
"**Qmax**"	vessels with carrying capacity of up to 266,000 cubic meters of liquified natural gas
"**RBI**"	Reserve Bank of India
"**Registered and Corporate Office**"	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India
"**Regulation S**"	Regulation S under the Securities Act
"**RFID**"	radio-frequency identification
"**ro-ro**"	roll-on/roll-off
"**RTG**"	rubber-tired gantry
"**Rupee**" or "**₹**" or "**Rs.**"	Indian rupees
"**SDGs**"	Sustainable Development Goals

"**SEBI**"	the Securities and Exchange Board of India constituted under the SEBI Act
"**SEBI Act**"	Securities and Exchange Board of India Act, 1992, as amended
"**Securities Act**"	the U.S. Securities Act of 1933, as amended
"**SEIAA**"	State or Union territory Level Environment Impact Assessment Authority
"**South West Port**"	the Group's port within the harbor of Vasco da Gama in Goa
"**SPCB**"	the State Pollution Control Board
"**SPT**"	Sustainability Performance Target
"**sq.m.**"	square meters
"**Subsidiaries**"	the subsidiaries of our Company in accordance with the accounting standards notified under the Companies Act, 1956 or the Companies Act, as applicable
"**Subsidiary Guarantors**"	JSW Jaigarh Port Limited, JSW Dharamtar Port Private Limited, South West Port Limited, JSW Paradip Terminal Private Limited and Paradip East Quay Coal Terminal Private Limited
"**Supreme Court**"	Supreme Court of India
"**TAB**"	Trading across Border
"**TAMP**"	Tariff Authority for Major Ports
"**TAMP Guidelines 2004**"	the Guidelines for Regulation of Tariff at Major Ports, 2004
"**TAMP Guidelines 2008**"	the Guidelines for Upfront Tariff Setting for the PPP Projects at Major Port Trusts, 2008
"**TAMP Guidelines 2013**"	the Guidelines for Determination of Tariff for Projects at Major Ports, 2013
"**TAMP Guidelines 2016**"	the Guidelines for Determination of Upfront Tariff for Stevedoring and Shore Handling Operations authorized by Major Ports Trusts, 2016
"**TAMP Guidelines 2019**"	the Tariff Guidelines, 2019
"**TAT**"	Average turnaround time
"**TCFD**"	Task Force on Climate-Related Financial Disclosures
"**Terms and Conditions of the Notes**"	Terms and Conditions of the Notes
"**TEU**"	Twenty-foot Equivalent Unit

"**U.S. GAAP**"	Generally Accepted Accounting Principles in the United States
"**UAE**"	United Arab Emirates
"**UN**"	United Nations
"**VLCC**"	Very Large Crude Carriers
"**Wage Code**"	Code on Wages, 2019, as amended
"**Water Act**"	the Water (Prevention and Control of Pollution) Act 1974, as amended
"**we**" or "**us**" or "**our**"	unless the context otherwise requires, JSW Infrastructure Limited and its Subsidiaries on a consolidated basis
"**WTD**"	Whole-time Director

Notwithstanding the definitions set out above, the defined terms in our financial statements shall have the meanings given to such terms therein.

SUMMARY

This overview highlights certain information contained in this Offering Memorandum. This overview does not contain all the information you should consider before investing in the Notes. You should read this entire Offering Memorandum carefully, including the sections entitled "Forward-Looking Statements," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Our Business" included elsewhere in this Offering Memorandum and the financial information and the notes thereto set forth herein. To understand the terms of the Notes, you should carefully read the sections of this Offering Memorandum entitled "Terms and Conditions of the Notes."

Overview

We are one of India's leading private sector infrastructure development companies and among the top two port developers and operators in India in terms of cargo capacity and traffic volumes (source: CRISIL Industry Report: Study on Ports Sector in India, December 2021). Our capacity has increased significantly in recent years as a result of our commissioning of new terminals, expansion of the capacity at our existing facilities, and acquisitions of new terminals. As of September 30, 2021, the two ports and seven terminals we operate have an operational capacity of 173.2 MMTPA in aggregate. In addition, we are undertaking greenfield and brownfield expansion projects, and our projected capacity is expected to reach 179.2 MMTPA by Fiscal Year 2023. We are committed to developing seaports, and benefit from the geographically diversified locations of the ports and terminals we currently operate in the five Indian states of Maharashtra, Goa, Odisha, Karnataka, and Tamil Nadu, in addition to the United Arab Emirates ("**UAE**"). Our ports and terminals in India are well connected to the industrial and consumer hinterlands of Maharashtra, Goa and Karnataka on India's west coast, as well as Odisha and Tamil Nadu on the nation's southeast shore, thereby providing access throughout the Indian coastline across the western, eastern and southern coasts of India. We also operate under O&M arrangements two terminals in Fujairah Port in Fujairah, UAE. We have a strong track record for timely project implementation and developing and operating multi-location, multi-cargo ports and terminals since commencing operations in 2004 and believe that we will be able to successfully bring new operations online, benchmarked to international standards.

In Fiscal Year 2021, we handled a total cargo volume of 58.7 MMT, representing a year-on-year growth of 13.1%. Despite a challenging macro-economic landscape, we were able to successfully conclude the acquisition of the Chettinad Group's port business and took over operations at Ennore Coal Terminal, Ennore Bulk Terminal, and Mangalore Coal Terminal, adding 17 MMTPA in capacity. The acquisition represents a substantial breakthrough in terms of diversification of revenues and handling independent operations, rather than being dependent on the JSW Group business. As at March 31, 2021, coal, coke, fluxes, iron ore, liquid cargo, and other cargo represented 12.7%, 27.2%, 4.1%, 26.9%, 0.4% and 28.7% of our total cargo, respectively. Major Ports, Non-Major Ports, and O&M Ports represented 39.5%, 37.9% and 22.6% of our throughput, respectively.

Our total income for Fiscal Years 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021 was ₹11,815.9 million, ₹12,373.7 million, ₹16,782.6 million, ₹6,643.6 million and ₹11,230.2 million, respectively. Our profit for the year/period attributable to our owners for Fiscal Years 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021 was ₹2,667.2 million, ₹1,904.2 million, ₹2,913.8 million, ₹1,216.5 million and ₹2,058.5 million, respectively. Our EBITDA for Fiscal Years 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021 was ₹7,134.7 million, ₹7,134.2 million, ₹8,911.3 million, ₹3,721.8 million and ₹5,571.1 million, respectively.

Competitive Strengths

Our principal competitive strengths are as follows:

- proven track record in developing and operating infrastructure;
- strategic and geographically diversified locations with proximity to large hinterland;
- demonstrable brand strength and sponsor support;
- highly stable and diversified revenue streams with efficient operations;
- supportive industry dynamics; and
- visionary leadership supported by an experienced management team.

Strategy

As a growing multi-location port developer and operator, our key strategies are as follows:

- increase revenue stream diversification through customer-centric service;
- multi-faceted growth;
- environmentally-friendly and sustainable operations and growth; and
- financial prudence.

Sustainability

The JSW Group has developed a sustainability vision ("**Sustainability Vision**") that guides the JSW Group's social, ethical, and environmental responsibilities. The JSW Group's Sustainability Vision is that: we are able, both now and in the future, to demonstrably contribute in a socially, ethically, and environmentally responsible way to the development of a society where the needs of all are met, and to do so in a manner that does not compromise the ability of those that come after use to meet the needs of their own, future generations.

The JSW Group's commitment to deliver its Sustainability Vision is supported by the JSW Group's sustainability strategy ("**Sustainability Strategy**"), which is designed based on seven key elements of leadership, stakeholder engagement, communication, planning, improvement, monitoring, and reporting.

As part of our efforts to deliver the Sustainability Vision, our Board of Directors have approved and we have adopted the policies relevant to our operations and activities, including climate change, employee health, safety and wellbeing, energy, water resource management, waste water management, waste management, air emissions, biodiversity, local considerations, social sustainability, human rights, indigenous people, cultural heritage, labor practices and employment, business ethics, and making our world a better place. We strive to achieve long-term value creation for all stakeholders. In addition to focusing on achieving best-in-class financial and operational performance, we are committed to strengthening our environmental, social and governance ("**ESG**") performance across our operational ecosystem and are focused on value creation for communities through focused interventions. Our sustainability roadmap is based on formulating appropriate policies, conforming to regulatory norms, making regular disclosures, setting targets of minimizing our environmental footprint, and strengthening corporate governance, to meet those targets.

In particular, we have identified climate change management as a key focus area. As an integral part of the JSW Group, one of India's leading conglomerates within the steel, energy, cement, and infrastructure sectors, many of our activities result in the generation of greenhouse gases ("**GHG**") that are emitted into the atmosphere. We have always sought to ensure our actions and decisions lead to strengthening our sustainability approach and have established and adopted a "Climate Change Policy" in furtherance of our commitment to:

1. preventing the causes of climate change;

2. mitigating and adapting to the impacts of climate change; and

3. creating resilience to climate change.

To reduce our contributions to the causes of climate change, we have set specific short term carbon reduction targets in relation to our GHG Emission Intensity (kg CO2e/metric ton of cargo handled) for our direct (Scope 1) GHG emissions (as defined in GRI Standards, GRI 305: Emissions 2016, 305-1) and energy indirect (Scope 2) GHG emissions (as defined in the GRI Standards, GRI 305: Emissions 2016, 305-2) based on the base year of Fiscal Year 2021. The overall target for reduction of GHG emissions, approved by our Board of Directors, is (i) a 15% reduction of our GHG Emission Intensity by Fiscal Year 2026 from the base year of Fiscal Year 2021 to achieve a GHG Emission Intensity of 1.06 kg CO2e/metric ton of cargo handled and (ii) a 35% reduction by Fiscal Year 2031 from the base year of Fiscal Year 2021 to achieve a GHG Emission Intensity of intensity of 0.81 kg CO2e/metric ton of cargo handled. The measures we intend to implement to achieve such targets include:

- progressively increasing the portion of our electricity requirements from renewable energy sources, including converting from existing thermal connected grid supply to renewable energy sources at all our ports and terminal operations;

- progressively replacing old equipment on our sites with new, efficient options, including replacing the diesel-operated fleet used in our operations to electric vehicles;

- adopting innovative, resource-efficient, and low-carbon technologies and solutions, including utilization of mechanized cargo handling, motion sensor-based water mist spray, dry fog dust suppression system for containing any dust emission, and mechanized road sweeping machines, among others, and exploring alternative fuels such as biodiesel;

- working with our suppliers and customers to explore all avenues to reduce emissions; and

- developing improvement plans to address opportunities identified to improve process and energy efficiency based on global benchmarking processes.

We also have targets for other key focus areas including, biodiversity, wastewater management, water resource management and waste management, and employ various environmentally-friendly initiatives across all our facilities.

We are conscious of the risks related to climate change, including coastal location risks due to rising sea levels, and have developed a "Disaster Management Plan" for each of our facilities, which forms part of the submission for environmental clearance of the facility by the MoEF. Rising sea levels due to climate change pose both an opportunity and risk to all seaport operations, which we continue to study in a phased manner by applying TCFD recommendations.

Organizational Structure

Our organizational structure with equity shareholding in the respective operational entities as at September 30, 2021 is set out below:

Entity Name	Relationship	Our Company's Ownership	Other Owners
JSW Jaigarh Port Limited	Subsidiary	100%	—
South West Port Limited	Subsidiary	74%	Starlog Enterprises Ltd (10%) Dhamankhol Engineering and Constructions Private Limited* (4.9%) Tranquil Homes and Holdings Private Limited* (6.2%) Nalwa Chrome Private Limited.* (4.9%)
JSW Shipyard Private Limited	Subsidiary	100%	—
Nandgaon Port Private Limited	Subsidiary	100%	—
JSW Dharamtar Port Private Limited	Subsidiary	100%	—
JSW Mangalore Container Terminal Private Limited	Subsidiary	100%	—
Masad Marine Services Private Limited	Step-down Subsidiary	100% held by JSW Dharamtar Port Private Limited	—
Jaigarh Digni Rail Limited	Step-down Subsidiary	63% held by JSW Jaigarh Port Limited	Konkan Rail Corporation Limited (26%) Maharashtra Maritime Board (5%)
JSW Salav Port Private Limited	Subsidiary	100%	—
JSW Paradip Terminal Private Limited	Subsidiary	74%	South West Port Limited (26%)
Paradip East Quay Coal Terminal Private Limited	Subsidiary	74%	South West Port Limited (26%)
Ennore Bulk Terminal Private Limited (formerly known as Chettinad International Bulk Terminal Private Limited)	Step-down Subsidiary	90% held by Southern Bulk Terminal Private Limited	South India Corpn Private Limited (10%)

Entity Name	Relationship	Our Company's Ownership	Other Owners
Mangalore Coal Terminal Private Limited (formerly known as Chettinad Mangalore Coal Terminal Private Limited)	Step-down Subsidiary	74% held by Southern Bulk Terminal Private Limited and 26% held by Ennore Bulk Terminal Private Limited	—
Ennore Coal Terminal Private Limited (formerly known as Chettinad International Coal Terminal Private Limited)	Step-down Subsidiary	100% held by Southern Bulk Terminal Private Limited	—
Southern Bulk Terminal Private Limited (formerly known as Chettinad Builders Private Limited).	Subsidiary	100%	—
JSW Terminal (Middle East) FZE .	Subsidiary	100%	—

* *member of JSW Group and affiliate of our Company*

SUMMARY FINANCIAL INFORMATION AND THROUGHPUT DATA

Our summary historical consolidated balance sheet data as of March 31, 2019, 2020 and 2021, summary historical consolidated statement of profit and loss data for the years ended March 31, 2019, 2020 and 2021 and summary consolidated statement of income and cash flow data for the years ended March 31, 2019, 2020 and 2021 set forth below have been derived from, and should be read in conjunction with, the Audited Consolidated Financial Statements and, including the notes thereto, included elsewhere in this Offering Memorandum unless stated otherwise, except for certain regrouping noted in the tables below. HPVS & Associates has audited the Audited Consolidated Financial Statements in accordance with IND-AS. The summary historical consolidated balance sheet data as of September 30, 2021 and summary historical consolidated statement of income and cash flow data for the six months ended September 30, 2020 and 2021 have been derived from, and should be read in conjunction with, the Unaudited Condensed Consolidated Interim Financial Statements, which HPVS & Associates has reviewed in accordance with IND-AS 34.

Potential investors should read the following data in conjunction with the Audited Consolidated Financial Statements and related notes, the Unaudited Condensed Consolidated Interim Financial Statements and related notes included elsewhere in this Offering Memorandum and the section "Management's Discussion and Analysis of Financial Condition and Results of Operations." IND-AS differs in certain respects from IFRS and other accounting principles with which prospective investors may be familiar.

SUMMARY OF CONSOLIDATED BALANCE SHEET

	As at March 31,				As at September 30,	
	2019	2020	2021	2021	2021	2021
	(Audited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)
			(in millions)			
	(₹)	(₹)	(₹)	(U.S.$)(note 1)	(₹)	(U.S.$)(note 1)
ASSETS						
Non-current assets						
Property, plant and equipment	29,180.3	35,451.4	34,413.7(note 2)	463.4	35,684.2	480.6
Capital work-in-progress	8,594.2	7,502.8	11,238.6	151.3	10,940.0	147.4
Goodwill	—	—	362.4	4.9	362.4	4.9
Right-of-use assets	—	986.1	3,749.0(note 2)	50.5	3,647.5	49.1
Intangible assets	3,384.6	3,042.4	10,714.7	144.3	9,943.7	133.9
Intangible assets under development	25.7	13.0	11.9	0.2	14.9	0.2
Financial assets						
Investments	—	3,090.0	2,955.1	39.8	2,830.1	38.1
Loans	43.3(note 5)	198.3(note 5)	463.4	6.2	328.4	4.4
Other financial assets	161.0	135.9	323.7	4.4	429.3	5.8
Deferred tax assets (net)	1,060.2	1,129.9	958.4	12.9	1,239.2	16.7
Other non-current assets	1,992.5	916.9	695.9	9.4	729.9	9.8
Total non-current assets	**44,441.8**	**52,466.7**	**65,886.8**	**887.3**	**66,149.6**	**890.9**
Current assets						
Inventories	758.5	1,251.5	991.5	13.3	805.2	10.8
Financial assets						
Investments	2,297.6	674.4	–	–	–	–
Trade receivables	3,905.0	5,021.9	4,115.3	55.4	4,127.9	55.6
Cash and cash equivalents	503.0	1,571.0	1,513.5	20.4	3,389.7	45.7
Bank balances other than cash and cash equivalents	514.7	55.1	1,631.3	22.0	2,420.2	32.6
Loans	3,063.4(note 5)	2,708.9(note 5)	2,425.3	32.7	2,422.3	32.6
Other financial assets	330.7	468.7	586.0	7.9	545.7	7.3
Current tax assets (net)(note 6)	349.5	28.9	103.7	1.4	95.6	1.3
Other current assets	2,112.4	3,222.1	4,173.8	56.2	4,343.9	58.5
Total Current Assets	**13,834.8**	**15,002.5**	**15,540.4**	**209.3**	**18,150.5**	**244.4**
TOTAL ASSETS	**58,276.6**	**67,469.2**	**81,427.2**	**1,096.6**	**84,300.1**	**1,135.3**

	As at March 31,				As at September 30,	
	2019	2020	2021	2021	2021	2021
	(Audited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)
			(in millions)			
	(₹)	(₹)	(₹)	(U.S.$)(note 1)	(₹)	(U.S.$)(note 1)
EQUITY AND LIABILITIES						
Equity						
Equity share capital	601.8	599.3	599.3	8.1	599.3	8.1
Other equity	28,274.9	24,882.9	28,312.4	381.3	30,527.2	411.1
Total equity attributable to owners of the Company	28,876.7	25,482.2	28,911.7	389.4	31,126.5	419.2
Non-controlling interests	1,970.5	2,031.0	1,972.6	26.5	2,031.5	27.4
Total equity	**30,847.2**	**27,513.2**	**30,884.3**	**415.9**	**33,158.0**	**446.6**
Liabilities						
Non-current liabilities						
Financial liabilities						
Borrowings(note 4)	20,001.2	26,112.1	33,904.5	456.6	34,630.9	466.4
Lease liabilities(note 3)	—	884.8	2,377.7	32.0	2,228.7	30.0
Other financial liabilities (notes 3, 4 & 8)	736.1	955.3	983.7	13.3	1,072.9	14.4
Provisions	37.1	48.2	66.3	0.9	79.1	1.1
Deferred tax liabilities (net)(note 6)	462.3	112.4	193.9	2.6	—	—
Other non-current liabilities(note 8)	1,013.8	2,960.7	2,888.9	38.9	2,846.1	38.3
Total non-current liabilities	**22,250.5**	**31,073.5**	**40,415.0**	**544.3**	**40,857.7**	**550.2**
Current liabilities						
Financial liabilities						
Borrowings(note 4)	507.2	4,913.7	5,553.6	74.8	5,972.3	80.4
Lease liabilities(note 3)	—	64.4	102.0	1.4	179.5	2.4
Trade payables						
Total outstanding due of micro enterprises and small enterprises	5.0	5.1	106.1	1.4	29.3	0.4
Total outstanding due of creditors other than micro enterprises and small enterprises(note 7)	1,220.8	2,041.1	2,508.7	33.8	2,421.1	32.6
Other financial liabilities (notes 3, 4 & 7)	2,243.4	1,642.9	1,211.4	16.3	1,111.7	15.0
Other current liabilities	1,196.9	208.8	630.9	8.5	551.8	7.4
Provisions	5.6	6.5	15.2	0.2	18.7	0.3
Total current liabilities	**5,178.9**	**8,882.5**	**10,127.9**	**136.4**	**10,284.4**	**138.5**
TOTAL EQUITY AND LIABILITIES	**58,276.6**	**67,469.2**	**81,427.2**	**1,096.6**	**84,300.1**	**1,135.3**

Notes:

(1) Except as otherwise stated, Rupee amounts as at and for the six months ended September 30, 2021 were converted to U.S. dollars at the exchange rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

(2) Regrouping from right-of-use assets to property, plant and equipment of ₹1,090.7 million in Fiscal Year 2021.

(3) Lease liabilities regrouped from other financial liabilities as per regulatory changes in Schedule III of Companies Act, 2013 with effect from April 1, 2021.

(4) Current maturity of long term borrowings regrouped from other financial liabilities to short term borrowings as per regulatory changes in Schedule III of Companies Act, 2013 with effect from April 1, 2021.

(5) Regrouping from current financials assets — loans due to change in nature.

(6) Regrouping due to changes in tax receivables due to assessment of tax.

(7) Regrouping of provision for expenses from other current financial liabilities to trade payable in Fiscal Year 2020 and Fiscal Year 2019.

(8) Regrouping of deferred income from non-current liabilities to non-current financial liabilities in Fiscal Year 2020 and Fiscal Year 2019.

SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS

	Year ended March 31,			
	2019	2020	2021	2021
	(Audited)	(Audited)	(Audited)	(Unaudited)
			(in millions)	
	(₹)	(₹)	(₹)	(U.S.$)(note 1)
INCOME				
Revenue from operations	10,802.6	11,431.5	16,035.7	215.9
Other income	1,013.3	942.2	746.9	10.1
Total income (1)	**11,815.9**	**12,373.7**	**16,782.6**	**226.0**
EXPENSES				
Operating expenses	3,379.6	3,454.4	5,746.0	77.4
Employee benefits expense	596.2	746.7	1,113.5	15.0
Finance costs	1,771.4	2,774.6	2,278.6	30.7
Depreciation and amortization expense	1,705.9	2,018.6	2,706.5	36.4
Impairment of goodwill	819.1	–	–	
Other expenses	705.5	1,038.4	1,011.8	13.6
Total expenses (2)	**8,977.5**	**10,032.7**	**12,856.4**	**173.1**
Profit before tax (1-2)	**2,838.4**	**2,341.0**	**3,926.2**	**52.9**
Tax expense				
Current tax	538.6	308.1	237.6	3.2
Deferred tax	(419.8)	67.6	842.4	11.4
Profit for the year/period (3)	**2,719.6**	**1,965.3**	**2,846.2**	**38.3**

Note:

(1) Except as otherwise stated, Rupee amounts as at and for the six months ended September 30, 2021 were converted to U.S. dollars at the exchange rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

SUMMARY OF UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS

Particulars	For the six months ended September 30,		
	2020	2021	2021
	(Unaudited)	(Unaudited)	(Unaudited)
	(in millions except per share data)		
	(₹)	(₹)	(U.S.$)(note 1)
INCOME			
Revenue from operations	6,189.5	10,799.1	145.4
Other income	454.1	431.1	5.8
Total income (1)	**6,643.6**	**11,230.2**	**151.2**
EXPENSES			
Operating expenses	2,098.9	4,356.5	58.7
Employee benefits expense	370.9	636.4	8.5
Finance costs	897.2	1,602.1	21.6
Depreciation and amortization expense	1,151.9	1,841.8	24.8
Impairment of goodwill	–	–	–
Other expenses	452.0	666.2	9.0
Total expenses (2)	**4,970.9**	**9,103.0**	**122.6**
Profit before tax (1-2)	1,672.7	2,127.2	28.6
Tax expense			
Current tax	250.1	328.4	4.4
Deferred tax	155.4	(318.4)	(4.3)
Profit for the year/period (3)	**1,267.2**	**2,117.2**	**28.5**

Note:

(1) Except as otherwise stated, Rupee amounts as at and for the six months ended September 30, 2021 were converted to U.S. dollars at the exchange rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

SUMMARY OF CONSOLIDATED CASH FLOW STATEMENT

	Year ended March 31,			
	2019	2020	2021	2021
	(Audited)	(Audited)	(Audited)	(Unaudited)
	(in millions)			
	(₹)	(₹)	(₹)	(U.S.$)(note 1)
Net cash generated from operating activities (A)	3,280.2	2,587.0	10,108.4	136.1
Net cash used in investing activities (B)	(4,948.9)	(3,785.3)(note2)	(16,368.0)	(220.4)
Net cash generated from financing activities (C)	1,398.9	2,262.3(note 2)	6,202.1	83.5
Net Increase/(Decrease) in Cash and Bank Equivalents (A+B+C)	**(269.8)**	**1,064.0**	**(57.5)**	**(0.8)**
Cash and Cash Equivalents at beginning of the year	**772.7**	**503.0**	**1,571.0**	**21.2**
Add: Cash and cash equivalents pursuant to business combinations	—	4.0	—	—
Cash and Cash Equivalents at end of the year	**502.9**	**1,571.0**	**1,513.5**	**20.4**

Notes:

(1) Except as otherwise stated, Rupee amounts as at and for the six months ended September 30, 2021 were converted to U.S. dollars at the exchange rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

(2) Regrouping of payment of lease liabilities from investing activities to financing activities of ₹145.5 million.

SUMMARY OF UNAUDITED CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

	Six months ended September 30,		
	2020	2021	2021
	(in millions)		
	(₹)	(₹)	(U.S.$)(note 1)
Net cash generated from operating activities (A)	3,196.0	4,420.4	59.5
Net cash used in investing activities (B)	(1,799.6)	(2,005.1)	(27.0)
Net cash used in financing activities (C)	(658.4)	(539.1)	(7.2)
Net Increase/(Decrease) in Cash and Bank Equivalents (A+B+C)	738.0	1,876.2	25.3
Cash and Cash Equivalents at beginning of the period	1,571.0	1,513.5	20.4
Add: Cash and cash equivalents pursuant to business combinations	–	–	–
Cash and Cash Equivalents at end of the period	2,309.0	3,389.7	45.7

Note:

(1) Except as otherwise stated, Rupee amounts as at and for the six months ended September 30, 2021 were converted to U.S. dollars at the exchange rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

GROUP'S KEY FINANCIAL METRICS

This disclosure is intended to assist in understanding the trends in the operating and financial information of the Group included in this Offering Memorandum.

	Year ended March 31,				Six months ended September 30,		
	2019	2020	2021	2021	2020	2021	2021
	(in millions unless indicated otherwise)						
	(₹)	(₹)	(₹)	(U.S.$)(note 1)	(₹)	(₹)	(U.S.$)(note 1)
EBITDA(note 2)	7,134.7	7,134.2	8,911.3	120.0	3,721.8	5,571.1	75.0
EBITDA margin(note 3)	66.0%	62.4%	55.6%	53.1%	60.1%	51.6%	51.6%
Total net borrowings	20,508.4	31,025.7	39,458.2	531.4	31,302.7	40,603.2	546.8
Cash(note 4)	1,017.6	1,626.1	3,144.8	42.4	3,279.4	5.809.9	78.2

Notes:

(1) Except as otherwise stated, Rupee amounts as at and for the six months ended September 30, 2021 were converted to U.S. dollars at the exchange rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

(2) EBITDA is defined as earnings before interest, tax, depreciation and amortization. The following table shows a reconciliation of EBITDA to profit before tax for the year/period before non-controlling interests in accordance with IND-AS for the periods indicated:

	Year ended March 31,			Six months ended September 30,	
Particulars	**2019**	**2020**	**2021**	**2020**	**2021**
			(₹ in Million)		
Profit before tax for the year/period	**2,838.4**	**2,341.0**	**3,926.2**	**1,672.7**	**2,127.2**
Adjusted for:					
Finance costs	1,771.3	2,774.6	2,278.6	897.2	1,602.1
Depreciation and amortization expenses	2,525.0	2,018.6	2,706.5	1,151.9	1,841.8
EBITDA	**7,134.7**	**7,134.2**	**8,911.3**	**3,721.8**	**5,571.1**

(3) EBITDA margin is defined as EBITDA divided by total revenue excluding other income.

(4) Cash includes cash and cash equivalent and bank balance other than cash and cash equivalent.

As used in this Offering Memorandum, a non-GAAP financial measure is one that purports to measure historical financial performance, financial position or cash flows, but excludes or includes amounts that would not be so adjusted in the most comparable IFRS/IND-AS measures. From time to time, reference is made in this Offering Memorandum to such "non-GAAP financial measures," including EBITDA, EBITDA margin, total borrowings, cash, profit before tax, net worth and net debt to equity ratio. EBITDA, EBITDA margin, total borrowings, cash, profit before tax, net worth, net debt to equity ratio and other non-GAAP financial measures are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, IND-AS, Indian GAAP, IFRS or U.S. GAAP. However, the Group's management believes that they provide investors with additional information about the Group's performance, as well as ability to incur and service debt and make capital expenditures, and are measures commonly used by investors. The non-GAAP financial measures described herein are not a substitute for IFRS/IND-AS measures of earnings and may not be comparable to similarly titled measures reported by other companies due to differences in the way these measures are calculated.

GROUP'S KEY OPERATING METRICS

The following sets out the throughput data for the Group for the periods indicated.

	Six months ended September 30,	
	2020	2021
Cargo handled (MMTPA)	23.82	36.63

ADDITIONAL FINANCIAL METRICS

The following sets out the assets and EBITDA of Group entities on a standalone basis as at and for the periods indicated:

As at September 30, 2021	JSW Infrastructure Limited	JSW Jaigarh Port Limited	South West Port Limited	JSW Dharamtar Port Private Limited	Paradip East Quay Coal Terminal Private Limited	JSW Paradip Terminal Private Limited	Masad Marine Services Private Limited	JSW Mangalore Container Terminal Private Limited	JSW Nandgaon Port Private Limited	JSW Salav Port Private Limited	JSW Shipyard Private Limited	JSW Terminal (Middle East) FZE	Jaigarh Digni Rail Limited	Mangalore Coal Terminal Private Limited	Ennore Coal Terminal Private Limited	Ennore Bulk Terminal Private Limited	Southern Bulk Terminal Private Limited	Total	Intercompany eliminations/ Consolidated adjustments	Consolidated Assets
	(₹ in millions)																			
Property, plant and equipment. .	994.0	24,969.3	7.8	2,230.6	6.0	6,271.6	–	0.2	256.4	–	–	0.7	297.1	9.3	5.2	0.2	–	**35,048.3**	635.9	**35,684.2**
Capital work-in-progress	–	587.4	–	220.2	9,678.1	0.3	–	36.1	173.3	–	11.0	–	–	–	–	–	–	**10,706.5**	233.4	**10,940.0**
Right-of-use assets	–	1,331.1	483.6	1,263.2	260.6	87.6	–	–	–	–	–	–	–	836.6	311.2	315.0	–	**4,888.9**	(1,241.3)	**3,647.5**
Other intangible assets	3.3	6.7	2,539.1	0.1	–	5.9	–	–	–	–	–	–	–	2,033.8	750.6	1,624.3	–	**6,963.9**	2,979.9	**9,943.7**
Goodwill	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	362.4	**362.4**
Intangible assets under development . .	–	3.7	11.1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**14.8**	–	**14.8**
Subtotal	**997.3**	**26,898.2**	**3,041.7**	**3,714.1**	**9,944.8**	**6,365.4**	**–**	**36.3**	**429.7**	**–**	**11.0**	**0.7**	**297.1**	**2,879.7**	**1,067.0**	**1,939.5**	**–**	**57,622.4**	**2,970.3**	**60,592.6**
Other non-current assets . .	15,630.3	4,732.3	6,320.1	2,411.0	236.3	159.0	–	134.7	–	–	–	–	69.3	1,152.1	202.0	1.7	1,484.0	**32,532.7**	(26,975.9)	**5,556.9**
Current assets . .	3,794.0	5,498.9	2,816.7	3,398.0	2,298.3	1,652.1	–	115.6	8.9	0.1	0.7	269.9	257.7	1,051.3	1,043.8	133.9	0.3	**22,340.2**	(4,189.6)	**18,150.5**
Total assets. . .	**20,421.6**	**37,129.4**	**12,178.5**	**9,523.1**	**12,479.4**	**8,176.6**	**–**	**286.5**	**438.7**	**0.1**	**11.8**	**270.6**	**624.1**	**5,083.0**	**2,312.7**	**2,075.0**	**1,484.3**	**112,495.2**	**(28,195.1)**	**84,300.1**
EBITDA (for the six months ended September 30, 2021)	**1,320.7**	**2,284.5**	**844.4**	**813.6**	**33.5**	**437.4**	**–**	**0.7**	**(0.1)**	**–**	**–**	**2.7**	**(1.9)**	**342.4**	**214.0**	**37.7**	**(0.1)**	**6,329.4**	**(758.4)**	**5,571.0**
EBITDA (for the nine months ended December 31, 2021)	**1,912.7**	**3,380.7**	**1,252.4**	**1,417.3**	**0.5**	**660.3**	**–**	**1.4**	**(0.1)**	**–**	**–**	**3.7**	**(2.7)**	**443.0**	**200.6**	**41.5**	**(0.1)**	**9,311.1**	**(1,118.9)**	**8,192.2**

As at and for the six months ended September 30, 2021, the consolidated EBITDA of the Group was ₹5,571.0 million (U.S.$75.0 million) and the aggregate EBITDA of the Company and the Subsidiary Guarantors was ₹5,734.10 million (U.S.$77.2 million).

The following sets out certain financial information of the Group as at December 31, 2021:

	As at December 31, 2021
	(₹ in millions)
Total cash and cash equivalents (including bank balances and other cash equivalents)	5,876.2
Consolidated debt	40,599.6

The following sets out the debt levels of certain Group entities on a standalone basis as at December 31, 2021:

	As at December 31, 2021
	(₹ in millions)
JSW Infrastructure Limited	5,110.1
JSW Jaigarh Port Limited	16,751.7
South West Port Limited	3,516.6
JSW Dharamtar Port Private Limited	1,954.2
JSW Paradip Terminal Private Limited	4,291.0
Paradip East Quay Coal Terminal Private Limited	8,332.9
JSW Mangalore Container Terminal Private Limited	643.0
Total	**40,599.6**

SUMMARY SUSTAINABILITY-LINKED BOND FRAMEWORK

The Company not only acknowledges the impact of its business on the local and global environment, but also recognizes that it can be part of the 'solution'. The Company has established a Sustainability-Linked Bond Framework to link funding with sustainability objectives and leverage ambitious timelines to achieve an improved sustainability performance. As per the International Capital Market Associations' ("**ICMA**") June 2020 Sustainability-Linked Bond principles ("**SLBPs**"), the Sustainability-Linked Bond Framework aims to provide a single and robust methodology for sustainability-linked financing instruments.

Description of Sustainability-Linked Bond Framework

The Sustainability-Linked Bond Framework aligns with ICMA's SLBPs five core principles: (i) Selection of Key Performance Indicators ("**KPIs**"); (ii) calibration of Sustainability Performance Indicators ("**SPTs**"); (iii) Bond Characteristics; (iv) Reporting; and (v) Verification.

The below provides a summary of the Sustainability-Linked Bond Framework. The complete Sustainability-Linked Bond Framework will be made publicly available on the Company website as a separate document to the Offering Memorandum.

1. Selection of Key Performance Indicators (KPIs):

As per ICMA's SLBPs, the Company has chosen the below KPI as it is considered core, relevant and material to business operations.

KPI: Scope 1 and 2 Greenhouse Gas ("**GHG**") intensity kg of CO_2 equivalent per metric ton of cargo handled ("**kg CO2e/tch**")

The Company's ports and terminals at Southwest Port Goa, Jaigarh Port Maharashtra, Dharamtar Port Maharashtra, Paradip Terminal Odisha, Mangalore Coal Terminal Karnataka, Ennore Coal Terminal Tamil Nadu and Ennore Bulk Terminal Tamil Nadu comprised 100% of cargo handling in Indian ports and terminals during the base year 2020-21 and are therefore the basis of the Company's data collection and emissions intensity calculation. Scope 1 and Scope 2 emissions from such ports and terminals account for around 70% of the total emissions of the Company and considered material to business operations.

Scope 3 emissions have been estimated to be less than 30% of total emissions. These are on account of emissions by third parties and the Company does not have direct control on these emissions. Accordingly, the Scope 3 emissions have been kept out of the Company's target setting process.

2. Calibration of Sustainability Performance Targets ("SPT"):

SPT: Reduce GHG Scope 1 and 2 emissions intensity in kg CO2e/tch by 15% 2025-26 against a 2020-21 baseline (observation date is March 31, 2026)

	Observation date	Units	Baseline	2025-26
SPT	March 31, 2026	kgCO2e/tch	2020-21	-15%

Scope 1 and 2 emissions intensity has been calculated in accordance with the requirements of ISO 14064-1 (2018 'Greenhouse Gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals'), and the Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (Revised edition) published by World Business Council for Sustainable Development and World Resources Institute and GRI Standards: 2016 – GRI 305-1,2,4. The 2020-21 baseline has been assured by DNV GL Business Assurance India Private Limited, India ("**DNV**") in accordance with 'limited assurance' procedures as per DNV's VeriSustain TM protocol.

The sustainability performance target as determined by the Company is in line with the Company's wider ambition to achieve a 35% reduction in GHG emissions intensity (kg CO2e/tch) by 2030-31 against a 2020-21 baseline.

3. Bond Characteristics:

If the sustainability performance target associated with its respective KPI is not met, this will result in a coupon adjustment. The step-up margin amount and reference date for the relevant SPT(s) will be specified in the relevant documentation of the specific transaction (e.g. final terms of the relevant Sustainability-Linked Bond).

Any recalculation of GHG emissions baseline intensity level will be reported in the Integrated Report to be published annually and verified by an External Verifier. Proceeds will be used for general corporate purposes unless otherwise specified in the relevant transaction documentation.

4. Reporting:

The Company will, on at least an annual basis, make a report detailing progress of key performance indicators and sustainability performance targets publicly available on the Company website.

Reporting may include:

- up-to-date, information enabling investors to monitor the performance of the selected key performance indicators including the baselines and recalculation procedures where relevant;
- a verification assurance report relative to the SPT(s) outlining the Company's performance against the SPT;
- reporting will also include any documentation used to calculate the Company's performance against the SPT; and
- information enabling investors to monitor the level of ambition in respect of the SPT.

5. Verification:

Pre-issuance, DNV GL Business Assurance India Private Limited, India ("**DNV**") was engaged as a Second-party Opinion provider. DNV has issued a Sustainability-Linked Bond Second-party Opinion outlining that the Sustainability-Linked Bond Framework aligns with ICMA's Sustainability-Linked Bond Principles as well as analysis of the KPI and SPT.

The Sustainability-Linked Bond Framework also outlines the Company's commitment to, after issuance, engage a qualified external reviewer to provide verification of sustainability performance targets on at least an annual basis until the last trigger event has been reached. Verification will be made publicly available on the Company website.

SUMMARY OF THE OFFERING

The following is a brief summary of the terms of this offering and is qualified in its entirety by the remainder of this Offering Memorandum. This summary is derived from, and should be read in conjunction with, the full text of the "*Terms and Conditions of the Notes*" and other information included in this Offering Memorandum.

Company and Issuer	JSW Infrastructure Limited
Notes Offered	U.S.$400,000,000 4.95 per cent. Senior Secured Notes due 2029 (the "**Notes**")
Subsidiary Guarantors	JSW Jaigarh Port Limited JSW Dharamtar Port Private Limited South West Port Limited JSW Paradip Terminal Private Limited Paradip East Quay Coal Terminal Private Limited
Joint Lead Managers and Joint Bookrunners	Deutsche Bank AG, Singapore Branch Standard Chartered Bank Axis Bank Limited, Singapore Branch Barclays Bank PLC Emirates NBD PJSC
Issue Price	100 per cent.
Maturity Date	January 21, 2029
Interest	The Notes will bear interest from, and including January 21, 2022 at the rate of 4.95 per cent. per annum, to but excluding January 21, 2029 payable semi-annually in arrear on January 21 and July 21 of each year. The first payment of interest will be made on July 21, 2022 in respect of the period from (and including) January 21, 2022 to (but excluding) July 21, 2022. Upon the occurrence of a Trigger Event, the interest rate on the Notes will increase by 0.25 per cent. per annum with effect from the most recent Interest Payment Date preceding the Trigger Event until the redemption of the Notes, provided that such increase in the interest rate pursuant to the Conditions may occur no more than once. If, following an increase in the interest rate after a Trigger Event, the Company achieves the Sustainability Performance Target after the Target Observation Date, there will be no decrease to the interest rate of the Notes and the interest rate of the Notes will remain unchanged.
Trustee	DB Trustees (Hong Kong) Limited.
Principal Paying Agent, Registrar, and Transfer Agent	Deutsche Bank Trust Company Americas.

Status of the Notes	The Notes will constitute (subject to Condition 5.2 (*Limitation on Liens*)) direct, general, secured, unconditional and unsubordinated obligations of the Company and will rank at all times *pari passu* without any preference among themselves. The payment obligations of the Company under the Notes shall at all times rank at least equally with all other present and future outstanding secured, unconditional and unsubordinated obligations of the Company but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.
Status of the Subsidiary Guarantees	The guarantees by each Subsidiary Guarantor (each, a "**Subsidiary Guarantee**") will constitute direct, general, unsecured and unsubordinated obligations of the Subsidiary Guarantors. The payment obligations of each Subsidiary Guarantor under its Subsidiary Guarantee shall at all times rank at least pari passu with all of its other present and future outstanding unsecured and unsubordinated obligations but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights. The Subsidiary Guarantees shall become effective within 90 (ninety) days from the Original Issue Date.
Form, Denomination, and Registration of the Notes.	The Notes will be issued in fully registered form and in the denomination of U.S.$200,000 each and integral multiples of U.S.$1,000 in excess thereof. Notes which are offered and sold outside the United States in reliance on Regulation S will be represented by interests in a global certificate (the "**Unrestricted Global Certificate**"), deposited with, and registered in the name of a nominee for DTC on or about the Closing Date. Notes which are offered and sold in the United States in reliance on Rule 144A will be represented by interests in a global certificate (the "**Restricted Global Certificate**" and, together with the Unrestricted Global Certificate, the "**Global Certificates**"), deposited with a custodian for, and registered in the name of, Cede & Co., as nominee for DTC on or about the Closing Date. Beneficial interests in the Global Certificates will be shown on, and transfers thereof will be effected only through, records maintained by DTC, and its respective direct and indirect participants. Beneficial interests in the Global Certificates may not be exchanged for Notes in definitive form except in the limited circumstances described in the Global Certificates — see "*Global Certificates*". See also generally, "*Plan of Distribution*".

Redemption for Tax Reasons.	The Notes may be redeemed at the option of the Company in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) and to the Trustee and the Principal Paying Agent in writing, at their principal amount, (together with interest accrued to, but excluding, the date fixed for redemption), if: (a) the Company has or will become obliged to pay additional amounts as provided or referred to in Condition 9 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction (as defined in Condition 9 (*Taxation*)) or any change in the official application or interpretation of such laws or regulations; and (b) such obligation cannot be avoided by the Company taking reasonable measures available to it, *provided* that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay such additional amounts were a payment in respect of the Notes then due. See "*Terms and Conditions of the Notes — Redemption and Purchase — Redemption for taxation reasons*". The Company may be required to obtain the prior approval of the Reserve Bank of India or its designated authorized dealer banks, as the case may be, in accordance with the ECB Regulations before effecting a redemption of the Notes for taxation reasons prior to the Maturity Date and such approval may not be forthcoming.
Redemption for a Change of Control Triggering Event	If a Change of Control Triggering Event (as defined below) occurs with respect to the Company, each Noteholder shall have the right at such Noteholder's option, to require the Company to redeem all of such Noteholder's Note(s) in whole but not in part at 101.0 per cent. of their principal amount plus accrued and unpaid interest, if any, to and including the date of purchase, in accordance with the Conditions. See "*Terms and Conditions of the Notes — Redemption and Purchase — Redemption for a Change of Control Triggering Event*". The Company may be required to obtain the prior approval of the Reserve Bank of India or its designated authorized dealer banks, as the case may be, in accordance with the ECB Regulations before effecting a redemption of the Notes for taxation reasons prior to the Maturity Date and such approval may not be forthcoming. The notice of redemption to Noteholders shall state that, in the Company's sole discretion, the redemption date may be delayed until such time as such approval is received, or such redemption may not occur, and such notice may be rescinded if the relevant approval has not been received by the redemption date, or by the redemption date so delayed.

Optional Redemption	At any time, the Notes may be redeemed at the option of the Company in whole or in part, at any time on giving not less than 30 days' nor more than 60 days' written notice to the Noteholders at their principal amount, plus the Applicable Premium (as defined in the Conditions), together with interest accrued to but excluding the date fixed for redemption; provided that no Applicable Premium will be payable if the Notes are redeemed on or after October 21, 2028 (the "**Par Call Date**"). At any time prior to October 21, 2028, the Company may redeem up to 40 per cent. of the aggregate principal amount of the Notes with the Net Cash Proceeds of one or more Equity Offerings at a redemption price of 104.95 per cent. of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 60 per cent. of the aggregate principal amount of the Notes originally issued on the Original Issue Date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related Equity Offering. The Company shall give not less than 30 days' nor more than 60 days' notice of any redemption to the holders in accordance with Condition 17 (which notice shall be irrevocable), and in writing to the Principal Paying Agent and the Trustee. The Company may be required to obtain the prior approval of the Reserve Bank of India or its designated authorized dealer banks, as the case may be, in accordance with the ECB Guidelines before effecting a redemption of the Notes prior to the Maturity Date and such approval may not be forthcoming. The notice of redemption to Noteholders shall state that, in the Company's sole discretion, the redemption date may be delayed until such time as such approval is received, or such redemption may not occur, and such notice may be rescinded if the relevant approval has not been received by the redemption date, or by the redemption date so delayed.
Events of Default	For a description of events that would permit acceleration of repayment of principal and interest of the Notes see "*Terms and Conditions of the Notes — Events of Default*".
Undertakings and Covenants.	The Company has agreed to a number of undertakings and covenants including, among other things, limitation on indebtedness, negative pledge, limitation on asset sales, consolidation and merger, and reporting covenants. For details see "*Terms and Conditions of the Notes — Covenants*".
Meetings of Noteholders	The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Withholding Tax and Additional Amounts	The Company will pay such additional amounts as may be necessary in order that the net payment received by each Noteholder in respect of the Notes, without set-off or counterclaim and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges imposed by tax authorities in an Relevant Jurisdiction upon payments made by or on behalf of the Company in respect of the Notes, will equal the amount which would have been received in the absence of any such withholding or deduction, subject to the exceptions, as described in "*Terms and Conditions of the Notes — Taxation*".
Transfer Restrictions	The Notes have not been registered under the Securities Act, or the securities laws of any other jurisdiction, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold in the United States only to qualified institutional buyers (as defined in Rule 144A) in accordance with Rule 144A and outside the United States in offshore transactions in accordance with Regulation S. There are other restrictions on the offer, sale and/or transfer of the Notes in, among other jurisdictions, the European Economic Area, the United Kingdom, Singapore, the Republic of Italy, India, Hong Kong, Japan, Switzerland, and the PRC. For a description of the selling restrictions on offers, sales and deliveries of the Notes, see "*Plan of Distribution*" and "*Transfer Restrictions*".
Book-Entry Only	The Notes will be issued in book-entry form through the facilities of DTC for the accounts of its participants, including Euroclear and Clearstream.
Delivery of the Notes	The Company expects to make delivery of the Notes, against payment in same-day funds, on or about January 21, 2022, which the Company expects will be the fifth business day following the date of this Offering Memorandum, referred to as "T+5." You should note that initial trading of the Notes may be affected by the T+5 settlement.
Governing Law	The Notes and any non-contractual obligations arising out of or in connection with them will be governed by, and shall be construed in accordance, with English law.
Risk Factors	For a discussion of certain factors that should be considered in evaluating an investment in the Notes, see "*Risk Factors*".
Listing	In-principle approval has been received for the listing and trading of the Notes on India INX. The India INX has not approved or verified the contents of this Offering Memorandum. The listing of the Notes by the Company is in compliance with the Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015, as amended from time to time.

Use of Proceeds	The proceeds from the offering of the Notes will be used by the Issuer as described under "*Use of Proceeds*".
U.S. Federal Income Tax Considerations to U.S. Holders	For a discussion of certain U.S. federal income tax considerations to U.S. holders of an investment in the Notes, see "*Taxation — Certain United States Federal Income Tax Considerations to U.S. Holders.*" You should consult your own tax advisor to determine the U.S. federal, state, local and other tax consequences of an investment in the Notes.
Legal Entity Identifier of the Issuer	3358003E3YFK92C9WX80
CUSIP	Regulation S Notes: Y4470X AA1 Rule 144A Notes: 46654X AA7
ISIN	Regulation S Notes: USY4470XAA10 Rule 144A Notes: US46654XAA72
Common Code	Regulation S Notes: 243260531 Rule 144A Notes: 243260515

RISK FACTORS

This Offering Memorandum contains forward-looking statements that involve risks and uncertainties. Prospective investors should carefully consider the risks and uncertainties described below and the information contained elsewhere in this Offering Memorandum before making an investment in the Notes. In making an investment decision, each investor must rely on its own examination of us and the terms of the offering of the Notes. The risks described below are not the only ones faced by us or investments in India in general. Our business, prospects, financial condition, cash flows, and results of operations could be materially adversely affected by any of these risks. There are a number of factors, including those described below, that may adversely affect our ability to make payment on the Notes. The risks described below are not the only ones that may affect the Notes. Additional risks not currently known to us or that we currently deem immaterial may also impair our business, prospects, financial condition, cash flows, and results of operations.

Risks Relating to Our Business

We face a variety of risks in connection with our reliance on concessions, sub-concessions, and licenses from government and quasi-governmental organizations. The terms of these agreements include certain events of default, the occurrence of which could adversely affect our business, cash flows, and results of operations.

We operate and manage our business under concessions, sub-concessions and licenses granted by the relevant government agencies and concessionaires. We have entered into several concession and sub-concession agreements for the development, operation, maintenance, and use of the facilities at South West Port, Jaigarh Port, Dharamtar Port, Paradip Port, Nandgaon Jetty, Mangalore Coal Terminal, Ennore Port, and JSW Mangalore Container Terminal. The terms of these agreements include events of default, the occurrence of any of which entitles the relevant counterparties to take certain actions, including terminating such agreements. See "*Our Business — Port Services — Concession Agreements.*" These events of defaults include *inter alia*:

- our failure, omission, neglect or negligence in complying with or performing any duties or obligations under the agreements, including the following:
    - incurring certain capital expenditures, and providing ongoing services when in breach and penalty provisions for such breaches;
    - providing the right to exclusive use of our facilities for the respective counterparties, including particular vessel berths and moorings, and container terminals; and
    - providing the right of first refusal for the usage of the additional capacity if we further expand or develop the facility;
- our failure to carry out the construction and implementation of the ports or related projects as specified in the respective detailed project report;
- our material breach of operations and maintenance requirements;
- our failure to make any required payment for the specified periods;
- our assignment of our rights, title, and interest in the respective agreements without the prior written consent of the counterparties;
- our failure to maintain and repair assets of the port, as required;

- our use of the ports for purposes other than those allowed in the respective agreements without the prior written consent of the counterparties;
- our failure to achieve certain performance parameters, as indicated in the respective agreements;
- our creation of any encumbrance, charge or lien not otherwise permitted by the relevant agreements;
- any reduction in shareholding of the promoters below the limit specified in the relevant agreements;
- non-compliance or violation of applicable laws;
- failure to obtain or breach of any permit, license or approval;
- breach of any obligations or covenants under the concession agreements; and
- failure to meet the external debt service obligations of the relevant project companies.

The termination or suspension of an agreement as a result of the occurrence of an event of default, or otherwise, requires us to cease our operations at the relevant port or container terminal and hand over possession of the facilities to the relevant counterparty. In addition, as a result of such event of default, the relevant government agencies and concessioning authorities and/or lenders have a right to step in. Further, we may undertake strategies which may result in not meeting the performance requirements stipulated under the relevant concession agreements.

As a result of the occurrence of an event of default we would be required to terminate all contracts entered into with third parties in relation to the relevant port facilities and transfer all of our rights, titles, and interests in all contracts, licenses, permits, and insurance policies to the relevant counterparty in the agreement. Upon the termination of the agreement, we would generally have the option either to remove the movable assets we own on the terms set out in the respective agreements or to transfer such assets to the relevant counterparty. Additionally, we are responsible for all defects and deficiencies in the ports for specified periods after termination and have the obligation to repair, at our own cost, all reasonable defects and deficiencies observed by an independent engineer or to reimburse the counterparty for repairs that it performs during such period. Cancellation, early termination or non-renewal of any such concession, sub-concession agreements or licenses or the imposition of any further limitations may result in an event of default under the Notes and could have an adverse effect on our ability to operate and manage our business, and may have an adverse effect on our business, cash flows, and results of operations.

Further, we cannot assure you that we will be able to renew these concessions, sub-concessions or licenses when they expire or, if renewed, that the terms of such renewed concessions, sub-concessions or licenses would be on terms as favorable to us. Any of these contractual provisions could reduce our revenues and/or hinder our ability to compete in the market, any of which in turn could have an adverse effect on our business, cash flows, and results of operations.

We are subject to concentration risks in terms of customers, cargo, and ports and terminals.

We currently derive, and believe that we will continue to derive, a large portion of our income from (i) a small number of customers, (ii) a few types of cargo, and (iii) a small number of ports and terminals.

Our customers can be segregated into two segments – group cargo and third-party cargo. Our group cargo customers consist of intra-group entities and our third-party cargo customers consist of our external customers, including shipping lines and agents, exporters, importers, and other port users. We expect that a large portion of our income will continue to be attributable to a limited number of customers from the ports sector in the immediate future. See "*Our Business — Port Services — Long-term Agreements.*" Certain of our significant customer agreements allow our customers to terminate such contracts unilaterally if our ports and terminals fail to perform as specific under the agreements. In addition, our

significant customers may demand price reductions and value-added services for no additional charge, which could reduce our profitability. Any significant reduction in or the elimination of the use of the services that we provide to any of our customers, or any requirement to reduce our prices, could adversely affect our profitability. In addition, adverse developments affecting our significant customers, such as bankruptcy, change of management, mergers, and acquisitions, could also adversely affect our business. The loss of, or significant decreases in the volumes from, or any adverse development concerning, our significant customers could have a material and adverse effect on our business, cash flows, and results of operations.

Similarly, a substantial portion of our revenue is derived from coking coal (the entire volume of which is handled for JSW Steel Limited ("**JSW Steel**")), thermal coal, and iron ore cargo, which comprised 53.4%, 58.6%, 69.2%, 67.0% and 72.7% of our total volume for the years ended March 31, 2019, 2020 and 2021 and six months ended September 30, 2020 and 2021. See "*Our Business — Port Services — Long-term Agreements.*" Accordingly, any significant reduction in or the elimination of such cargo could adversely affect our profitability.

In addition, during the periods under review, a substantial majority of our cargo has been handled at Jaigarh Port, Dharamtar Port and Fujairah Terminal, which in aggregate accounted for 83.5%, 79.2%, 60.1%, 63.3% and 55.8% of our total volume for the years ended March 31, 2019, 2020 and 2021 and six months ended September 30, 2020 and 2021. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Significant Factors Affecting Our Results of Operations — Cargo Volumes.*" Accordingly, we derive the bulk of our revenue from these ports and any adverse events affecting these ports may adversely affect our overall profitability.

We engage in related party transactions.

We have engaged, and expect to continue to engage, in a broad range of transactions with our related parties, affiliates and our Subsidiaries. Our related party transactions mainly consist of sales of goods and services, purchase of services and capital goods, provision of guarantees and loans, and advances. We derive a significant portion of our revenues from take-or-pay arrangements. Related party transactions with members of the JSW Group, including *inter alia* JSW Steel and its subsidiaries, Amba River Coke Limited ("**ARCL**"), JSW Steel Coated Products Limited ("**JSW Steel Coated**"), Bhusan Power and Steel Limited ("**BPSL**"), JSW Energy Limited ("**JSW Energy**"), JSW Techno Projects Management Private Limited ("**JSW Techno**"), and JSW Cement Limited ("**JSW Cement**") in respect of the purchase of goods and services accounted for 70.1%, 60.0%, 56.5%, 62.0% and 55.5% of our total revenue for the years ended March 31, 2019, 2020 and 2021 and six months ended September 30, 2020 and 2021. Although all such related party transactions were conducted at arm's length and in the ordinary course of our business, our related parties may have interests that are different from our interests. Failure of the Group's related parties to act on fair and equitable terms may adversely affect the Group's business and results of operation. In addition, our engagement in related party transactions may impact our ability to be independently profitable in the long run and affects our core competitiveness.

Our financial performance may be affected by the ability of our related parties to meet their payment obligations to us, including *inter alia* (a) JSW Steel under (i) the agreement for cargo handling services with JSW Jaigarh Port Limited which expires in 2030, (ii) the agreement for mini bulk carriers with JSW Jaigarh Port Limited which expires in 2031, (iii) the agreement for undertaking cape dredging and facilitating bringing cape vessel with JSW Jaigarh Port Limited which expires in 2031, (iv) the long term agreement for cargo handling services with JSW Dharamtar Port Limited, (v) the long term agreements for cargo handling services with JSW Infrastructure Limited, (vi) the long term agreement for cargo handling services with JSW Paradip Port Private Limited which expires in 2030, (vii) the agreement for cargo handling services with JSW Mangalore Coal Terminal Private Limited, and (viii) the agreement for cargo handling services with JSW South West Port Limited; (b) ARCL under (i) the agreement for cargo handling services, and (ii) the agreement for dredging services which expires in 2031; (c) JSW Energy (i) under the terminal handling charges which expires in 2024, and (ii) together with ARCL, under the agreement for undertaking cape dredging and facilitating bringing cape vessel which expires in 2031; (d) JSW Cement

under the cargo handling agreement with JSW Dharamtar Port Private Limited which expires in 2022; (e) JSW Steel Coated under the cargo handling agreement with JSW Jaigarh Port Limited which expires in 2024; and (f) BPSL under the long term cargo handling agreement with JSW Infrastructure Limited, each of which may, from time to time, be extended further as mutually agreed. See "*Our Business — Port Services — Long-term Agreements.*" The ability of each of JSW Steel, ARCL, JSW Energy, BPSL, JSW Cement, and JSW Steel Coated to meet its payment obligations to us is dependent on its financial condition, results of operations, and cash flows. Our business, financial condition, and results of operations could be materially and adversely affected by any occurrence or circumstance that reduces, impedes, suspends or cancels JSW Steel's, ARCL's, JSW Energy's, BPSL's, JSW Cement's, and/or JSW Steel Coated's payment obligations under the aforementioned agreements, or any failure, impediment or delay of JSW Steel, ARCL, JSW Energy, BPSL, JSW Cement, and/or JSW Steel Coated to fulfill its obligations under their respective contracts. While we conduct other business and own other material assets other than in connection with the provision of logistical support to the steel and/or cement plants of our related parties, we expect the sale of goods and services to JSW Steel, ARCL, JSW Energy, BPSL, JSW Cement, and JSW Steel Coated to contribute significantly to our financial performance and results of operations. There can be no assurance that JSW Steel, ARCL, BPSL, JSW Energy, JSW Cement, and JSW Steel Coated, and other related parties that we transact with will be able to meet their payment and other obligations to us under their respective contracts. In the case of any such failure, our business, prospects, financial condition, and results of operations may be materially adversely affected.

Jaigarh Port and Dharamtar Port have take-or-pay arrangements with JSW Steel and JSW Energy for a cargo volume that is lower than the actual cargo requirement for these ports. Due to the close proximity of Dharamtar Port to JSW Steel's Dolvi plant and Jaigarh Port to JSW Energy's Ratnagiri power plant, each have strategic importance to JSW Steel and JSW Energy, respectively. As Dharamtar Port is a river jetty and is, therefore, unable to handle large vessels, most of the cargo is transshipped from Jaigarh Port in smaller barges and mini bulk carriers. Approximately 4.5 MMT of the 12.9 MMT handled at Dharamtar Port during the year ended March 31, 2021 and 2.9 MMT of the 7.2 MMT handled at Dharamtar Port during the six months ended September 30, 2021 was through Jaigarh Port and the balance was transported from the Mumbai anchorage. Following an increase in cargo requirement at JSW Steel's Dolvi plant, we expect that the entire cargo requirement will be handled at Jaigarh Port in place of the Mumbai anchorage to reduce the overall logistics costs. In addition, Jaigarh Port is adjacent to JSW Energy's Ratnagiri power plant and the entire amount of thermal coal required for the operation of the plant is imported through Jaigarh Port. There is no assurance that JSW Steel and/or JSW Energy will not fail or refuse to meet such take-or-pay obligations in the future, which may have adverse effect on our business, prospects, financial conditions, and operations.

We may not be successful in implementing our global expansion strategy effectively, which could have a material adverse effect on the long-term growth of our business, our financial condition, and results of operations.

As part of our expansion strategy, we focus on new markets in India and outside India for our operations. In 2016, we incorporated JSW Terminal (Middle East) FZE for the purpose of carrying out port operations of dry bulk handling at Fujairah Port, UAE. As we grow our business, we expect to encounter additional challenges to our operations, internal processes, external construction management, capital commitment process, project funding infrastructure, financing capabilities, and regulatory compliance. Our existing operations, personnel, systems, and internal controls may not be adequate to support our growth and may require us to make additional unanticipated investments in our infrastructure. To manage the future growth of our operations, we will be required to improve our administrative, operational and financial systems, procedures and controls, and expand, train and manage our growing employee base. If we are unable to manage our growth effectively, we may not be able to take advantage of market opportunities, execute our business strategies successfully or respond to competitive pressures. As a result, our business, prospects, financial condition, and results of operations could be materially and adversely affected. Additional difficulties in executing our growth strategy, particularly in new geographical locations, may include, among other things: accurately prioritizing geographic markets for entry, including estimating addressable market demand; obtaining construction, environmental and other permits, and approvals; managing local

operational, capital investment or sourcing regulatory requirements; adopting changes in foreign currency controls and foreign exchange policy; managing fluctuations in the economy and financial markets, as well as credit risks; managing possible unfavorable labor conditions or employee strikes; and sourcing cost-competitive financing on attractive terms. To the extent that our operations are affected by unexpected and adverse economic, regulatory, social and political conditions in the countries in which we operate, or as a result of the COVID-19 pandemic, we may experience operational disruptions, loss of assets and personnel, and other indirect and consequential losses that could materially and adversely affect our business, financial condition, and results of operations.

We may enter into future acquisitions, the financing of which may adversely affect our liquidity and financial condition, and the unsuccessful integration of which could result in operating difficulties and adversely affect our business, cash flows, and results of operations.

We explore opportunities to expand organically and inorganically, and may enter into agreements to provide port, logistics and related services, or acquire facilities at new ports or logistics centers in the near future. The identification of suitable acquisition candidates can be difficult, time-consuming and costly. Acquisitions could result in, among other things, potentially dilutive issuances of our equity securities, and the incurrence of debt and contingent liabilities, any of which could adversely affect our liquidity and financial condition. In addition, the process of integrating an acquired company or facilities, such as the integration of Chettinad Builders Private Limited, which we acquired on November 18, 2020, may be risky and may create unforeseen operating difficulties and expenditures, including:

- difficulties in integrating the operations, technologies, services and personnel of acquired businesses;
- additional financing required to make contingent payments;
- unavailability of favorable future financing;
- potential loss of key employees of acquired businesses and cultural challenges associated with integrating employees from the acquired company into our organization;
- inability to maintain key business relationships and the reputation of acquired businesses;
- responsibility for the liabilities of acquired businesses;
- diversion of management's attention from other business concerns;
- inability to maintain our standards, controls, procedures, and policies, which could impair our ability to assess the effectiveness of our internal control structure and procedures for financial reporting; and
- increased fixed costs.

Our current and future expansion plans required for future growth may require significant capital. If we are unable to raise additional capital, our business prospects could be adversely affected.

We operate in a capital-intensive industry which requires substantial levels of funding. In addition to our existing projects, we may also undertake additional greenfield or brownfield port projects, all of which would require substantial capital expenditure. We cannot assure you that we will have sufficient capital resources for these new expansion plans or any future expansion plans that we may have. While we expect our cash on hand, cash flow from operations, and available borrowings under our credit facilities to be adequate to fund our existing commitments, our ability to pay these amounts is dependent upon the success of our operations. Additionally, the inability to obtain sufficient financing or the inability of one or more of our financiers to provide committed funding could adversely affect our ability to complete expansion

plans. Moreover, we cannot assure you that market conditions and other factors would permit us to obtain future financing on terms acceptable to us, or at all. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations, and other laws that are conducive to our raising capital in this manner. Any downgrade in our credit ratings could increase our borrowing costs and adversely affect our access to capital. Further, if we decide to raise additional funds through the issuance of equity or equity-linked instruments, the interests of our shareholders may be diluted. If we decide to meet our capital requirements through debt financing, our interest obligations will increase and we may be subject to additional restrictive covenants. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business prospects could be adversely affected.

Our investments in developing additional services and facilities, and sources of income for our port business may not be successful.

We continue to make investments in additional services and facilities in order to further diversify and grow our operating income. We believe that continued expansion is essential for us to remain competitive and to capitalize on the growth potential of our industry.

Our current expansion plans include:

- increasing cargo handling capacities at our ports, including Jaigarh Port and Dharamtar Port;
- developing incremental dry and liquid (including LPG and POL) bulk cargo handling facilities at Jaigarh Port;
- optimizing the handling and transportation of cargo by addressing key connectivity issues through establishing new ports as well as acquiring existing ports on the east and west coasts of India; and
- exploring commercially sustainable opportunities to invest in logistics facilities, technologies, green port initiatives and other assets.

Our future expansion plans will involve significant capital expenditures and operational and management resources. However, we may not be successful in expanding our services and facilities and diversifying our income, which could have an adverse effect on our business, cash flows, and results of operations. We may not be successful in implementing these expansion plans and there could be significant delays, disruptions or cost overruns, which could have an adverse effect on our business and financial condition. In general, the success of these and other projects is dependent on a variety of factors, including obtaining the relevant approvals from the concerned authorities in a timely manner, the timely completion of the project, the ability to complete the development of the project without cost overruns, and the demand for our services once the project is operational.

We are often required to enter into binding contracts with potential partners and customers to complete such projects and provide such services. We may not be able to negotiate such contracts on terms favorable to us, or at all, or complete the development of the project within the time anticipated, or at all. Any resulting delay or failure to complete a project or deliver additional services may adversely affect our competitiveness and our business, cash flows, and results of operations.

Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, cash flows, and results of operations.

We have experienced considerable operational and financial growth in recent years, and we have significantly expanded our operations and services. We cannot assure you that our growth strategy will continue to be successful or that we will be able to execute our business plans, such as meeting our operational and ESG targets, continue to expand further or diversify our business further.

Our inability to maintain our utilization rates or manage our expansion effectively and execute our growth strategy could have an adverse effect on our business, cash flows, and results of operations. We intend to continue expansion to pursue existing and potential market opportunities. Our future prospects will depend on our ability to grow our business and operations in India. The development of such future business could be adversely affected by many factors, including general political and economic conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates, the price of equipment and construction materials, fuel supply, and currency exchange rates.

The COVID-19 pandemic or any ensuing pandemic could have a significant adverse effect on our results of operations, and could negatively impact our business, revenues, financial condition and results of operations.

An outbreak of a novel strain of coronavirus, COVID-19, was recognized as a pandemic by the World Health Organization (the "**WHO**") on March 11, 2020. In response to the outbreak, the governments of many countries, including India, have been taking preventative or protective actions, such as imposing country-wide lockdowns and restrictions on travel and business operations. For example, the Government imposed an initial nationwide lockdown on March 25, 2020, and thereafter gradually lifted the lockdown in phases. With the resurgence of the number of COVID-19 positive cases from February 2021, the Government imposed additional lockdowns in several parts of India, which have since been lifted and/or relaxed. These local and global restrictions have had an adverse impact on global economic conditions, and resulted in turmoil in the global mercantile industry. While the final impact on the global economy is still uncertain, the COVID-19 pandemic has resulted in severe global macroeconomic disruptions and financial market volatility.

The COVID-19 pandemic has also adversely affected the operations of our customers. During the first month of the initial lockdown period in India at the start of Fiscal Year 2021, we claimed *force majeure* in respect of certain contracts due to transportation halting completely. The Government subsequently clarified that companies providing essential services were allowed to continue operations, and we continued operations throughout the remaining period of the initial lockdown phase (mainly in the first half of Fiscal Year 2021) as ports and related logistics services were declared essential services by the Government. However, our facilities were operating at lower capacities during the lockdown period primarily because of a decline in cargo handled at our ports, caused by a decline in global mercantile trade. We experienced a decline in cargo handled in the first half of Fiscal Year 2020 when the Government first imposed a nationwide lockdown in 2020, which subsequently recovered as lockdowns were gradually lifted, increasing from 23.82 MMT in the first half of Fiscal Year 2021 to 34.90 MMT in the second half of Fiscal Year 2021.

During the first half of Fiscal Year 2022, India experienced a second outbreak of the COVID-19 pandemic. While lockdowns were imposed in several parts of India, cargo throughput was not materially adversely impacted, with the ports at Jaigarh, Goa, Dharamtar, Odisha and Fujairah recording aggregate cargo handled of 29.45 MMT in the six months ended September 30, 2021 as compared to 23.82 MMT in the six months ended September 30, 2020. The extent of the COVID-19 pandemic's impact on our operational and financial performance will depend on future developments, including *inter alia* the duration, spread and intensity of the outbreak, the success of government responses to control the spread of the COVID-19 pandemic and the roll-out and success of vaccination initiatives, all of which are uncertain and difficult to predict considering the rapidly evolving situation. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Significant Factors Affecting Our Results of Operations — Impact of the COVID-19 pandemic on our Company*" for more details.

Risks arising on account of the COVID-19 pandemic can also threaten the safe operation of our ports and transportation of cargo, cause disruption in operational activities, loss of life and injuries and adversely impact the wellbeing of our employees. These risks could have a significant adverse effect on our results of operations and could negatively impact our business, cash flows, financial condition and results of operations. Any resulting financial impact cannot be reasonably estimated at this time. The extent to which the COVID-19 pandemic impacts our business and results will depend on future developments, which are highly uncertain and cannot be predicted, such as new information which may emerge concerning the severity of the COVID-19 pandemic, the emergence of new strains of the coronavirus and the actions taken globally, including economic stimulus measures, to contain the COVID-19 pandemic or treat its impact, among others.

The COVID-19 pandemic may also adversely impact our ability to raise additional capital or require further reductions in capital expenditures that are otherwise needed to implement our strategies. We intend to continue executing our strategic plans and operational initiatives during the COVID-19 pandemic; however, the aforementioned uncertainties may result in delays or modifications to these plans and initiatives, which could have a material and adverse impact on our financial condition and results of operations. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Significant Factors Affecting Our Results of Operations — Impact of the COVID-19 pandemic on our Company*" for further details.

The nature of the contracts we have with certain of our customers contain inherent risks, such as a fixed-price clause for payments to us and certain rights for the counterparties, including indemnities and liability, which, if exercised, could result in an adverse effect on our business, cash flows, and results of operations.

We have entered into long-term contractual arrangements with some of our customers, including our long-term agreement for the cargo handling operation services at Jaigarh Port and other operating ports and terminals. We earn income from such customers comprising payments for services or royalties, which are generally based on the quantity of cargo handled and time spent by vessels at berth and various services provided for cargo handling or to vessels.

The commercial terms of such long-term agreements typically include fixed pricing based on the number of units of cargo handled with limited consumer price index ("**CPI**")-based escalation clauses, thus exposing us to the risk that our actual expenses with respect to performance of the services under the terms of the engagement could be higher than we estimated at the time of entering into the contract. Our failure to estimate accurately the resources and time required for such contracts, future wage increases or currency fluctuations or failure to complete our contractual obligations may have an adverse effect on our business, cash flows, and results of operations.

Further, pursuant to our obligations under such agreements, we have incurred, and may continue to incur, significant capital expenditures for the development of infrastructure and facilities. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Capital Expenditure.*" We may not be able to generate revenues commensurate to the capital expenditure incurred under these agreements. In addition, certain of our agreements at Jaigarh Port contain preferential utilization clauses under which we are required to keep our capacities free for utilization by such customers. If such free capacities are not utilized by these customers, we will lose revenue that we could have earned from making these capacities available to other customers. Any decrease in revenues from the customers with whom we have such long-term agreements may have an adverse effect on our business, cash flows, and results of operations.

Although some of these customers have committed to provide us with a minimum volume of work and fees, there is no exclusive arrangement where such customers would be required to use only our facilities for additional cargo and other services beyond the minimum guaranteed volume.

We have a substantial amount of outstanding borrowings, which requires significant cash flows to service, and limits our ability to operate freely.

As at September 30, 2021, our total borrowings (indebtedness (excluding corporate guarantees)) outstanding were ₹40,942.6 million (U.S.$551.4 million) (₹40,603.2 million after netting of unamortized processing fee of ₹339.5 million) on a consolidated basis. The total borrowings (indebtedness) as at September 30, 2021 consisted of long-term borrowings, current maturities of long-term borrowings and short-term borrowings (excluding financial guarantee contracts)). The long-term borrowings include Rupee loans and debentures. Our short-term borrowings include bank overdrafts and buyers' credit. For further details of our debt, see "*Description of Material Indebtedness.*"

We may incur additional borrowings to finance the cost of our capital expenditures and expansions. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Increasing our level of indebtedness also has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, political, industry, and competitive conditions, including *inter alia* changes in law, government embargoes, and policies;
- limiting our flexibility in planning for, or reacting to, changes in our business, and the industry;
- limiting our ability to borrow additional funds; and
- increasing our interest expenditure.

We cannot assure you that we will generate sufficient cash to service existing or proposed borrowings or fund other liquidity needs, which could have an adverse effect on our business, cash flows, and results of operations.

Some of the existing financing agreements of the Issuer and/or Subsidiary Guarantors require them to comply with certain covenants and obtain lender consents prior to undertaking various actions, including taking further debt; failure to comply with such covenants or to otherwise obtain waivers or fully repay the relevant borrowings, could result in a default under the terms of the relevant financing documents.

Some of the financing agreements relating to the indebtedness of the Issuer and/or Subsidiary Guarantors ("**Existing External Indebtedness**") include certain restrictive covenants including restrictions on additional borrowings, issuance of guarantees, giving security and making prepayments. In particular, the issuance of the Notes and the Subsidiary Guarantees and the incurrence of the Notes Issuer Loans will breach the terms of financing agreements relating to certain Existing External Indebtedness. Prior to issuance of the Notes, the Issuer has provided or will provide notice to such lenders of its intention to prepay the entire amount of outstanding indebtedness of such lenders or may include requests to shorten the relevant prepayment notice period, to waive any prepayment premium or penalty, and to waive any outstanding breaches and defaults upon receipt of payment. We intend to on-lend a substantial portion of the Notes proceeds on or after the Closing Date to the Issuer and/or Subsidiary Guarantors to repay all or a portion of the Existing External Indebtedness. However, in the interim period falling between the date of issuance of the Notes and the making of the relevant prepayment, a lender could assert that we have failed to comply with the terms under the applicable financing agreement. Any such failure to comply with the requirements under these financing agreements that is not waived by our lenders, may constitute a breach of the terms of the relevant financing documents and may lead to, *inter alia*, a termination and/or acceleration of such credit facilities and enforcement of their security interests and may trigger cross defaults under other financing agreements. As we intend that the Issuer and/or Subsidiary Guarantors will repay in full such Existing External Indebtedness (including payment of prepayment charges) that contain such aforesaid restrictions, we do not intend to obtain written waivers or consents for such transactions.

Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements, could adversely affect our business, cash flows, and results of operations. Any breach of the terms under our financing arrangements could trigger cross-acceleration under our other financing arrangements, leading to termination of one or more of our financing arrangements.

Our financing agreements typically contain certain restrictive covenants and events of default that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. Such covenants include restrictions on:

- creating security over existing and future assets of our port facilities;
- incurring additional indebtedness or undertaking any guarantee obligations;
- making certain restricted payments;
- prepaying any indebtedness prior to its maturity date;
- investing in equity interests or purchasing assets, other than in the ordinary course of our business, unless certain conditions are satisfied;
- selling or disposing assets;
- materially altering our capital structure, management or constitution;
- changing or expanding our scope of business;
- entering into certain corporate transactions such as reorganizations, amalgamations, and mergers; and
- pledging the shares of our Subsidiaries for financing of specific projects.

These agreements also require us to maintain certain financial ratios such as debt to equity, debt service coverage, and interest service coverage ratios. Our future borrowings may also contain similar restrictive provisions. Further, certain financing agreements require us to obtain consents from lenders for certain actions, including incurring further indebtedness, effecting any changes in our capital structure or shareholding pattern.

If we fail to meet our debt service obligations or covenants (or receive approvals from our lenders to undertake certain transactions) provided under the financing agreements, the relevant lenders could declare us to be in default under the terms of our agreements, accelerate the maturity of our obligations or take over the financed project or other security made available to the lenders. We cannot assure you that, in the event of any such acceleration, we will have sufficient resources to repay our borrowings.

Furthermore, certain of our financing arrangements may contain cross-acceleration provisions which could automatically trigger defaults under other financing arrangements. We may be forced to sell some or all of our assets if we do not have sufficient cash or credit facilities to make repayments.

Additionally, because some of our borrowings are secured against all or a portion of our assets, lenders may be able to sell those assets to enforce their claims for repayment. Our failure to meet our obligations under the debt financing agreements could have an adverse effect on our business, cash flows, and results of operations.

We may not manage risks associated with the cessation of LIBOR effectively.

On July 8, 2021, the RBI issued a notification (bearing reference no. RBI/2021-22/69 CO.FMRD.DIRD.S39/14.02.001/2021-22) encouraging banks and financial institutions to cease, and to also encourage their customers to cease, entering into new financial contracts that reference LIBOR as a benchmark and instead use any widely accepted Alternative Reference Rate ("**ARR**"), as soon as practicable, and in any case, by December 31, 2021. The RBI has also recommended banks and financial institutions to cease using the Mumbai Interbank Forward Outright Rate ("**MIFOR**"), published by the Financial Benchmarks India Private Limited ("**FBO**"), which references LIBOR, as soon as practicable and in any event by December 31, 2021.

The RBI has recommended to use the daily adjusted MIFOR and modified MIFOR rates published by the FBIL for legacy contracts and fresh contracts, respectively. The RBI has, inter alia, advised banks and financial institutions to (i) incorporate robust fallback clauses, preferably well before the respective cessation dates, in all financial contracts that reference LIBOR and where the maturity of which is after the announced cessation date of the respective LIBOR settings; (ii) put in place the necessary infrastructure to be able to offer products referencing the ARR; (iii) undertake a comprehensive review of all direct and indirect LIBOR exposures and put in place a framework to mitigate risks arising from such exposures on account of transitional issues including valuation and contractual clauses; and (iv) ensure that contracts referencing LIBOR/MIFOR may generally be undertaken after December 31, 2021 only for the purpose of managing risks arising out of LIBOR/MIFOR referenced contracts undertaken on or before December 31, 2021.

Our floating rate debt is mostly linked to the U.S. dollar LIBOR and also to the base rates/Marginal Cost of Funding Based Lending Rate ("**MCLR**") of various Indian banks. In the event that a published LIBOR rate is unavailable after December 31, 2021 and we have not yet transitioned to alternative rates, the value of such floating rate debt may be adversely affected, and our cost thereunder may increase.

We may be adversely affected by increases and changes in royalties and fees payable by us.

Our concession and sub-concession agreements, and licenses require us to pay royalties and fees for the use of facilities at locations where our ports are situated. Pursuant to our concession agreement with the Maharashtra Maritime Board for Jaigarh Port, we are required to pay concessional waterfront royalties on the cargo handled on a per metric ton basis of cargo handled. The concerned authorities may declare a different rate for waterfront royalties which, if higher, will require us to pay the difference. In addition, these concession and sub-concession agreements also have certain escalation clauses in respect of royalties payable by us. Any increase in the royalties or fees payable by us could have an adverse effect on our business and results of operations.

Some of our Subsidiaries are currently taking advantage of certain benefits and exemptions under the Income-tax Act which are subject to the policies and decisions of the income tax authorities.

We commenced comprehensive commercial port operations in April 2007. Being an infrastructure company, we benefit from certain tax incentives under Section 80 IA of the Income Tax Act for a period of 10 consecutive years out of an eligible period of 15 years starting from the commencement of our business. We claimed benefits of tax incentives under Section 80 IA of the Income Tax Act until Fiscal Year 2017. We believe that we were entitled to the tax benefits under Section 80 IA of the Income Tax Act on our entire income. We also believe that we are eligible for and are therefore claiming tax incentives under Section 35AD of the Income Tax Act. The Central Board of Direct Taxes ("**CBDT**") could have a contrary view in terms of the availability of tax benefits to us in respect of certain forms of income. Any ruling by the tax authorities to the contrary could have an adverse effect on our business, cash flows, and results of operations.

While our aforesaid tax advantage expired in Fiscal Year 2017, some of our Subsidiaries, including Jaigarh Port and Dharamtar Port, will continue to receive certain tax advantages. Additionally, we have continuously paid Minimum Alternate Tax ("**MAT**") and hence, are eligible for MAT credit for the coming years, which would be available for set off up to 15 years. We intend on utilizing the entire MAT credit within the prescribed time period so that no MAT credit lapses. Therefore, there may not be a material increase in the tax liability until such time as we are able to set off our tax liability against available MAT credit. However, when such MAT credit expires or when the entire MAT credit is utilized, our tax expense could materially increase, thereby reducing our profitability. Further, there can be no assurance that we will be entitled to similar or other tax incentives in the future. When such tax incentives expire for all of our Subsidiaries, our tax expense on a consolidated basis could materially increase, thereby reducing our profitability. We are also exploring the possibility of opting for the new tax regime after utilizing available MAT credit, whereby we would be liable to pay 25% income tax (plus applicable cess and surcharge).

Our port services, logistics operations and other operations are subject to operational risks such as breakdown of equipment, accidents, labor disputes, force majeure and natural disasters. If any of these risks were to materialize, our business, cash flows, and results of operations could be adversely affected.

The operation of our port services, comprising marine, intra-port transport, storage, other value-added services and evacuation services and other operations, may be adversely affected by many factors, such as the breakdown of equipment, accidents, fatalities, labor disputes, *force majeure* situations, natural disasters, increasing government regulations, lack of qualified equipment operators, and a downturn in the overall performance of the container and shipping industry. We previously experienced two fatalities at Paradip Port in 2021 during the normal course of port operations.

Further, our business occasionally requires individuals to work with potentially hazardous materials, which may be volatile and often highly flammable. If improperly handled or subjected to unsuitable conditions, such materials could impair the operations at our ports. This could lead to disruptions in our business and expose us to legal and regulatory costs and liabilities, which could adversely affect our results of operations and reputation.

In addition, our business relies on a number of third parties involved in activities such as stevedoring, handling of liquid cargo, hiring of equipment and vehicles, survey of ships, supply of water and provision of transportation from our ports, and contract labor. The failure or inability of these third parties to provide the required services efficiently, or at all, could disrupt our operations and, thus, have an adverse effect on our business, cash flows, and results of operations.

Our business and facilities may be adversely affected by severe weather conditions and natural disasters.

Severe weather conditions, resulting in conditions such as dense fog, low visibility, heavy rains, wind and waves, rough sea, hurricanes and other *force majeure* situations may force us to temporarily suspend operations at our ports. In some cases, we may temporarily suspend operations based on warnings from local and national meteorological departments. If weather conditions of any type were to force our ports to close for an extended period of time, our business may be adversely affected. For example, in May 2021 there was a one-day stoppage in operation at our Jaigarh Port, Dharamtar Port and South West Port due to Cyclone Tauktae. In addition, any weather condition, including, but not limited to, severe monsoons and flooding, that affects ports that serve as starting points or final destinations for shipping lines could harm our business.

Our operational facilities may be damaged in natural disasters such as earthquakes, tsunamis, tornados, hurricanes, and cyclones. Such natural disasters in India or in Southeast Asia may lead to a disruption of transportation networks, information systems, and telephone service for sustained periods of time. Damage or destruction that interrupts our business operations may cause us to incur substantial additional expenses to repair or replace damaged facilities or equipment. We may also be liable to our customers for disruption in our operations resulting from such damage or destruction. While we currently have commercial liability

insurance, our insurance coverage may not be sufficient. Furthermore, we may not be able to secure any additional insurance coverage on commercially reasonable terms, or at all. Prolonged disruption of our operations as a result of natural disasters would also entitle our customers to terminate their contracts with us, which may have an adverse effect on our business, cash flows, and results of operations.

Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.

Our business is dependent on technology. See "*Our Business — Information Technology and Computer Systems.*" To maintain the competitiveness of our business, we need to keep pace with technological developments and changing standards. If we are unable to adequately respond to the technological changes and the technologies currently employed by us become obsolete, our business, financial condition, cash flows, and results of operations may be materially and adversely affected. In addition, the cost of implementing new technologies and upgrading our facilities to keep pace with technological developments may be significant and may adversely affect our results of operations.

Some of our recent technology and automation implementation for our logistics business may not result in the expected efficiencies and benefits we anticipate, which could adversely affect our operations and financial condition. Further, technology is susceptible to outages and technical vulnerabilities, which may result in us incurring additional expenses from time to time. The technology implemented by us is developed by third-party vendors, on whom we rely for the maintenance of our technology, which may result in us incurring additional costs in carrying out such maintenance from time to time. While our maintenance costs typically account for a small portion of our expenses, we may experience significant costs if large-scale maintenance of our technology is required.

We may also be subject to hacking, malware attacks or other breaches of our information technology ("**IT**") systems. Although we have anti-virus, anti-hacking, and other IT security measures in place, we cannot assure you that we can successfully block and prevent all hacking, malware attacks or other breaches. As a result, failure to meet our customers' technological demands or to protect against technological disruptions of our operations or the operations of our customers could materially and adversely affect our business, financial condition and results of operations.

Upgrading or renovation works or physical damage to our ports and terminals may disrupt our operations.

Our ports and terminals may need to undergo upgrading or renovation works from time to time to retain their competitiveness and may also require unforeseen ad hoc maintenance or repairs in respect of faults or problems that may develop or because of new laws or regulations. For example, in June 2020 and May 2021, we experienced minor cyclone damage at Jaigarh Port due to Cyclone Nisarga and Cyclone Tauktae, respectively, which did not affect operations but required repairs. In addition, our ports and terminals may suffer some disruptions and it may not be possible to continue operations on areas affected by such upgrading or renovation works. Any physical damage to our ports and terminals resulting from, among other things, fire, severe weather, natural calamities, acts of God or other causes may lead to a significant disruption to our business and operations and, together with the foregoing, may result in unforeseen costs which may have an adverse effect on our business, cash flows, and results of operations.

We rely on security procedures at other facilities or by our customers, which are outside our control.

We inspect the physical condition of cargo that enters our ports or logistics centers in accordance with our own practices and the inspection procedures prescribed by, and under the authority of, the relevant regulations. We also rely on the security procedures carried out by our customers on our logistics and the relevant port facilities that cargo, especially containers, have previously passed through to supplement our own inspection to varying degrees.

However, there can be no assurance that the cargo that passes through or received at our ports or logistics centers will not be adversely affected by breaches in security or acts of terrorism, either directly or indirectly, in other areas of the supply chain, which would have an adverse effect on our operations. A security breach or act of terrorism that occurs at one or more of the facilities, or at another port facility that has handled cargo prior to the cargo arriving at our port facilities, could subject us to significant liability, including the risk of litigation and loss of goodwill.

Claims made against us, our Directors and/or other JSW Group companies from time to time can result in litigation or regulatory proceedings which could result in liability or harm our reputation.

From time to time, we and/or our Directors and management are involved in litigation, claims and other proceedings relating to the conduct of our business, including environmental claims, non-compliance with provisions of our various licenses, tax disputes, and proceedings involving, among other things, the securities dealings of our Directors. Any claims could result in litigation against us and could also result in regulatory proceedings being brought against us by various Government and state agencies that regulate our business, including the Ministry of Environment, Forest and Climate Change ("**MoEF**"), the respective state pollution control boards, and the ED, among others. Often these cases raise complex factual and legal issues, which are subject to risks and uncertainties and which could require significant time from our Directors and/or our management. Litigation and other claims and regulatory proceedings against us or our management could result in unexpected expenses and liability and could also materially adversely affect our operations and our reputation. For further details, see "*Legal Proceedings*."

From time to time, JSW Group companies become involved in litigation, claims, and other proceedings relating to the conduct of their businesses, including but not limited to environmental claims, arbitrations, proceedings relating to abuse of market position, tax disputes, and proceedings involving securities dealings by other JSW Group companies and/or their directors. Any claims could result in litigation and/or regulatory proceedings against the JSW Group, which could harm our reputation as a member of the JSW Group and ultimately materially adversely affect our operations.

Any disruption to the steady and regular supply of labor for our port operations or our inability to control the composition and cost of our labor force could adversely affect our business, cash flows, and results of operations.

We had 544 full-time employees as at September 30, 2021. We also use contract workers from time to time. Although we maintain cordial relations with our employees, there can be no assurance that our cordial relations will continue in the future. We cannot assure you that we will not experience disruptions in our operations due to disputes or other problems with our workforce, which may adversely affect our business, cash flows, and results of operations.

Although we engage contract laborers only for discrete assignments, it is possible under Indian law that we may be held responsible for wage payments to laborers engaged by contractors should the contractors default on wage payments. Any requirement to fund such payments may adversely affect our results of operations. Furthermore, pursuant to the provisions of the Contract Labor (Regulation and Abolition) Act, 1970, as amended, or other similar labor enactment, we may be required to absorb a portion of such contract laborers as our employees. Any such order from a court or any other regulatory authority may adversely affect our business, cash flows, and results of operations.

Further, work stoppages or slowdowns experienced by us could result in slowdowns or closures of our ports, which could have an adverse effect on our business, cash flows, and results of operations.

Our business and operations are subject to extensive environmental and other related regulations and policies.

Our business and operations are subject to various environmental risks such as oil spills and disposal of hazardous waste and chemicals. We, like other port operators and manufacturers in India, are subject to various central, state and local environmental, health and safety laws and regulations concerning issues such as damage caused by air emissions, wastewater discharges, and solid and hazardous waste handling and disposal. These laws, rules and regulations also prescribe the punishments for any violations. While we believe that our facilities are in compliance in all material respects with applicable environmental laws and regulations and we have obtained the requisite permissions and clearances in this regard, we may incur additional costs and liabilities in relation to compliance with these laws and regulations or any remedial measures in relation thereto. These additional costs and liabilities could be on account of penalties, fines, remedial measures, and clean-up liabilities or due to compliance with more onerous laws, regulations or directions, and could have an adverse effect on our business, financial condition, cash flows, and results of operations. Additionally, we may, from time to time, become involved in disputes involving breach of environmental regulations, including disputes relating to our port operations. For example, our operations at South West Port was suspended for three months due to allegations of pollution from our coal handling operations. See "*Legal Proceedings*." If any such disputes are decided against us, we may be subject to fines and other penalties, including suspension of our operations, cancellation of our approvals and undertaking remedial procedures. Any such additional costs or liabilities could have an adverse effect on our business, financial condition, cash flows, and results of operations.

Moreover, the laws and regulations under which we operate are subject to change and any change to these laws and regulations could adversely affect our business, cash flows, and results of operations. For example, the Central Government has invited comments on the Indian Ports Bill, 2021 ("**Indian Ports Bill**"), which seeks to consolidate laws applicable to ports into a single piece of legislation that would be applicable to Major Ports as well as Non-Major Ports, whether public or private. The Indian Ports Bill empowers the Maritime State Development Council, which is an advisory body at the central government level, to execute several functions that are currently discharged by state governments. If the Indian Ports Bill is introduced in Parliament and passed, and we are found to be in violation of the provisions of the enacted legislation, certain penalties or terms of imprisonment may be imposed thereunder, which could adversely affect our business, cash flows, and results of operations.

Similarly, the Major Port Authorities Act, 2021 ("**MPA Act**"), which received the assent of the President of India and was notified in the official gazette on February 18, 2021, will replace the Major Ports Act, 1963 and create a "Board of Major Port Authority" that will be empowered to determine port tariffs for Major Ports, along with concessionaries in public private partnership projects. Currently, the Major Port tariff is fixed by the Tariff Authority for Major Ports ("**TAMP**"), which will be replaced by an Adjudicatory Board constituted under the MPA Act. Once the MPA Act comes into effect on a date notified by the Central Government, any revisions in tariff may adversely affect our business, cash flows, and results of operations.

Lack of transparency, threat of fraud, public sector corruption, and other forms of criminal activity involving government officials increase the risk for potential liability under anti-bribery laws.

We are subject to anti-corruption and anti-bribery laws that prohibit improper payments or offers of improper payments to governments and their officials and political parties for the purpose of obtaining or retaining business or securing an improper advantage and require the maintenance of internal controls to prevent such payments. The JSW Group maintains a policy on business conduct relating to anti-bribery and corruption, and which applies to the employees of our Company. Notwithstanding this, our employees might take actions that could expose us to liability under anti-bribery laws. In certain circumstances, we may be held liable for actions taken by our partners and agents, even though they are not always subject to our control. Any violation of anti-corruption laws could result in penalties, both financial and non-financial, that could have a material adverse effect on our business and reputation.

Land-related disputes could adversely affect our expansion and development plans.

We are involved in certain land-related disputes in court in Ratnagiri, Maharashtra, India in relation to lands owned by us for our Jaigarh Port. If any such disputes are decided against us, we could face difficulties in pursuing our expansion plans and development activities, which could have an adverse effect on our business, cash flows, and results of operations.

We may not have adequate insurance to cover all losses we may incur in our business operations or otherwise.

Operations in our port business, and specifically the cargo handling operations, carry inherent risks of personal injury and loss of life, damage to or destruction of property, plant and equipment, and damage to the environment, and are subject to risks such as fire, theft, flood, earthquakes, and terrorism. We maintain insurance coverage in such amounts and against such risks which we believe are in accordance with industry practice. However, such insurance may not be adequate to cover all losses or liabilities that may arise from our operations, including when the loss suffered is not easily quantifiable and in the event of severe damage to our reputation.

In addition, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an adverse effect on our reputation, business and results of operations. Further, failure to maintain adequate insurance can also trigger a breach of the relevant concession or sub-concession agreements, which could impair our ability to operate. As at September 30, 2021, we had pending claims amounting to ₹224.2 million (U.S.$3.0 million) in respect of insurance policies. We cannot assure you that any claim under the insurance policies maintained by us will be honored fully or on time. Any payments we make to cover any losses, damages or liabilities or any delays we experience in receiving appropriate payments from our insurers could have an adverse effect on our business, financial condition, cash flows, and results of operations.

We operate in a competitive environment and if we are not able to compete effectively, our business, cash flows, and results of operations may be adversely affected.

We compete primarily against ports that cater to the hinterlands between the east coast, west coast and south coast of India. Competition is based primarily on the characteristics and location of the ports, including capacity, congestion, ability to berth large vessels, and proximity and connectivity to inland cargo centers and refineries. Some of these ports have significant financial resources, marketing, and other capabilities. In India, some domestic competitors may have extensive local knowledge and business relationships and a longer operational track record in selected areas of the domestic market than us. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market. As a result, there can be no assurance that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition.

Competition may increase as a result of the development of new ports in India. In addition, port operator companies from other countries that establish operations in India may compete with us, particularly if they are more efficient and have lower costs. Current and future competitors may also introduce new and more competitive port services, make strategic acquisitions or establish cooperative relationships among themselves or with third parties, thereby increasing their ability to address the needs of our target customers. We cannot assure you that we will be able to retain our customers as a result of increased competition. If we lose customers as a result of competition, our market share will decline. If we cannot compete in providing competitive port services or expand into new markets, this could have an adverse effect on our business, cash flows, and results of operations.

Similarly, we may face competition from a number of international and domestic port based logistics service providers. Some of our competitors may have significantly greater financial and marketing resources and operate larger networks than we do. If we cannot maintain, or gain, sufficient market presence or are unable to differentiate ourselves from our competitors, we may not be able to compete effectively. Further, if we cannot maintain cost competitiveness within the logistics industry, including if we choose to expand and incur excessive fixed costs or if we experience a disproportionate increase in costs in comparison to our competitors, our customers could choose to service their logistics needs with our competitors rather than us.

If our contingent liabilities materialize, our results of operations could be adversely affected.

Our contingent liabilities include various matters pending with certain authorities, including service tax/GST authorities and income tax authorities, bank guarantees, and other claims against us are not acknowledged as debts. For further details on the nature of our contingent liabilities, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Contingent Liabilities.*" If these or any other contingent liabilities materialize, our results of operations could be adversely affected.

Our senior management team and other key personnel in our business units are critical to our continued success and the loss of, or the inability to attract and retain, such personnel in the future could adversely affect our business, cash flows, and results of operations.

Our future success substantially depends on the continued service and performance of the members of our senior management team and other key personnel in our business for the management and running of our daily operations and the planning and execution of our business strategy.

There is intense competition for experienced senior management and other key personnel with technical and industry expertise in the port business and, if we lose the services of any of our senior management and other key personnel or other key individuals and are unable to find suitable replacements in a timely manner, our ability to realize our strategic objectives could be impaired. The loss of key members of our senior management or other key team members, particularly to competitors, could have an adverse effect on our business, cash flows, and results of operations.

Our performance also depends on our ability to attract, train, motivate and retain highly skilled personnel. We are subject to laws and regulations governing relationships with employees, in areas such as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees, and work permits. Any shortage of skilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business, cash flows, and results of operations.

The Sajjan Jindal Family Trust holds a substantial shareholding in the Company. However, there can be no assurance that they will continue to be in control of or hold any Equity Shares in the Company.

As of September 30, 2021, Sajjan Jindal Family Trust (together with its nominee shareholders) holds 93.07% of the fully paid up equity share capital of our Company. As a result, the Sajjan Jindal Family Trust has rights as shareholders in relation to the Company's business, including matters which require shareholders' approval such as matters relating to any sale of all or substantially all of its assets, the timing and distribution of dividends and the appointment, election or termination of our Directors. The interests of the Sajjan Jindal Family Trust may be different from the interests of our other stakeholders and the interests of the Noteholders and such rights available to the Sajjan Jindal Family Trust as shareholders may impede a merger, consolidation, takeover or other business combination involving us, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company.

Further, 56,460,293 Equity Shares, representing approximately 93% of our shareholding, which is held by the Sajjan Jindal Family Trust have been pledged for securing loans availed by one of our group companies, JSW Techno Projects Management Limited. Accordingly, in the event that such pledge of shares is invoked, there may be a reduction in the shareholding of Sajjan Jindal Family Trust in our

Company, and we cannot assure you that the Sajjan Jindal Family Trust will continue to be in control of or hold any Equity Shares in our Company. If the shareholding of the Sajjan Jindal Family Trust in our Company is reduced, it could have an adverse impact on our ability to source business for the Group which could have a material adverse effect on our business, future financial performance, financial condition and results of operation.

We have loans to related parties outstanding.

From time to time, we extend loans on which we receive interest from related parties to support such related parties' business. As at September 30, 2021, we had ₹5,051.8 million (U.S.$68.0 million) in loans to related parties outstanding. These related party loans are unsecured and if borrowers under these related party loans do not fulfill their obligations as expected, or at all, we will have no access to any security.

If we are unable to obtain required approvals and licenses or renewals thereof in a timely manner or at all, our business and operations may be adversely affected.

We require certain approvals (including environmental approvals), licenses, registrations, and permissions for operating our business, some of which may have expired and for which we may have either made or are in the process of making an application for obtaining the approval. Additionally, we may need to apply for further approvals in the future, including for the expansion of our facilities or for renewal of approvals that may expire from time to time. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. If we are unable to obtain the approval within the anticipated timeframe, it could have an adverse effect on our business, financial condition, cash flows, and results of operations. Further, we cannot assure you that the approvals, licenses, registrations, and permits issued to us would not impose onerous requirements and conditions on our operations or would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Failure by us to renew, maintain or obtain, or any suspension or revocation of, the required permits or approvals at the requisite time may result in stringent restrictions or interruption in all or some of our operations and may have an adverse effect on our business, financial condition, cash flows, and results of operations.

We do not own the JSW trademark, and our ability to use the trademark, name, and logo may be impaired.

The JSW trademark, name, and logo do not belong to us. The JSW trademark belongs to JSW IP Holdings Private Limited ("**JSWIPHPL**"), another member of the JSW Group. Under the terms of a JSW brand equity and business promotion agreement dated October 8, 2014 and effective from April 1, 2014, read together with a deed of adherence dated August 4, 2021 entered into by and among our Company and JSWIPHPL for the use of such trademark, we have also been granted the right to use the JSW trademark, name, and logo. If the JSW Group withdraws, refuses to renew, or terminates this agreement, we will not be able to make use of the JSW trademark, name, or logo in connection with our business and consequently, we may be unable to capitalize on the brand recognition associated with the JSW Group. Accordingly, we may be required to invest significant resources in developing a new brand.

Third party statistical and financial data in this Offering Memorandum may be incomplete or unreliable.

Information regarding market position, growth rates, and other industry data pertaining to our businesses contained in this Offering Memorandum consists of estimates based on data reports compiled by professional organizations and analysts, data from other external sources and our knowledge of the markets in which we compete. We have not independently verified data obtained from industry publications and other sources referred to in this Offering Memorandum and, therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Such data may also be produced on different bases from those used in other industry publications. Therefore, discussions of matters relating to India, its economy, and the industries in which we currently operate in this Offering Memorandum are subject to the caveat that the statistical and other external data upon which such

discussions are based may be incomplete or unreliable. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analyses and estimates, so we rely on internally developed estimates. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources and we cannot assure potential investors as to their accuracy.

Risks Relating to India

A prolonged slowdown in the economic growth in India or financial instability in other countries could cause our business to suffer.

According to the RBI, GDP at constant (2011-2012) prices declined by 7.3% during Fiscal Year 2021 as compared to a growth of 4.2% during Fiscal Year 2020 and 6.8% during Fiscal Year 2019. Notwithstanding the RBI's policy initiatives, the course of market interest rates continues to be uncertain due to factors such as inflation, fiscal deficit and the Government borrowing program. Any increase in inflation in the future, because of increases in prices of commodities such as crude oil or otherwise, may result in a tightening of monetary policy. The uncertainty regarding liquidity and interest rates and any increase in interest rates or reduction in liquidity could materially and adversely impact our business.

In addition, the Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly those of emerging market countries in Asia. Investors' reactions to developments in one country may have adverse effects on the economies of other countries, including the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and our future financial performance.

In Europe, (i) the exit of the United Kingdom from the European Union; (ii) the possible exit of Scotland, Wales or Northern Ireland from the United Kingdom; (iii) the possibility that other European Union countries could hold similar referendums to the one held in the United Kingdom and/or call into question their membership of the European Union; (iv) the possibility that one or more countries that adopted the Euro as their national currency might decide, in the long term, to adopt an alternative currency; or (v) prolonged periods of uncertainty connected to these eventualities could have significant negative impacts on international markets. These could include greater volatility of foreign exchange and financial markets in general due to the increased uncertainty.

These and other related events have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads, and a lack of price transparency in the United States, Europe and global credit and financial markets. In response to such developments, legislators, and financial regulators in the United States, Europe, and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. In addition, any announcement by the United States Federal Reserve to increase interest rates may lead to an increase in the borrowing costs in the United States and may impact borrowing globally as well. Further, in several parts of the world, there are signs of increasing retreat from globalization of goods, services, and people, as pressures for protectionism are building up and such developments could have the potential to affect exports from India.

The global economy has also been impacted by the COVID-19 pandemic due to high infection rates and strict lockdown measures restricting commercial activity imposed by various countries across the globe.

In the event that the global credit markets worsen or if there is any significant financial disruption, this could have an adverse effect on our ability to borrow, as well as our profitability or growth of our business, which could have a material adverse effect on our business, future financial performance, financial condition, and results of operations.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could influence the Indian economy and could have a material adverse effect on our business, financial condition, and results of operations.

Changes in the policies of, or changes in, the Government or the political scenario could adversely affect economic conditions in India, and thereby adversely impact our business, financial condition, and results of operations.

India remains our largest market. Revenue from operations within India represents a substantial majority of our total revenue from operations and all of our facilities (other than those relating to Fujairah Port) are located in India. Consequently, we may be affected by changes to Government policies, changes in the Government itself, or any other political instability in India. For example, the imposition of foreign exchange controls, rising interest rates, increases in taxation or the creation of new regulations could have a detrimental effect on the Indian economy generally and the Group in particular. Further, our businesses and the performance and liquidity of the Notes may be adversely affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability, and other political and economic developments affecting India.

While the Government has sought to implement a number of economic reforms in recent years, it has had and continues to exercise a significant influence over many aspects of the Indian economy. The Government and the state governments in the Indian economy play the roles of producers, consumers, and regulators. Any significant change in liberalization and deregulation policies could adversely affect business and economic conditions in India generally which may have an adverse effect on our business, financial condition, and results of operations.

The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. A significant change in India's economic liberalization and deregulation policies, and in particular, those relating to the business in which we operate, could disrupt the business and economic conditions in India generally and our business in particular.

Macroeconomic situations and global conditions might lead to a gradual departure from an accommodative fiscal and monetary policy in the future, which would affect exchange rates and interest rates. Such events could affect India's sovereign ratings and in turn, our business, our future financial performance, and the trading price of the Notes.

If terrorist attacks or social unrest in India increases, our business could be adversely affected.

India has from time to time experienced instances of civil unrest, terrorist attacks, war, and conflicts. Some of India's neighboring countries have also experienced or are currently experiencing internal unrest. For instance, there has been military activity on India's borders with Pakistan and China in the recent past. These events could lead to political or economic instability in India and may adversely affect the Indian economy, our business, financial condition, and results of operations. India has also experienced social unrest, Naxalite violence and communal disturbances in some parts of the country.

If such tensions occur in places where we operate or in other parts of the country, leading to overall political and economic instability, it could adversely affect our business, financial condition, and results of operations. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult, and such tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and our revenue, operating results, and cash flows. The impact of these events on the volatility of global financial markets could increase the volatility of the market price of the Notes.

Volatility in India's financial markets could materially and adversely affect our financial condition.

Stock exchanges have, in the past, experienced substantial fluctuations in the prices of listed securities. In the past, uncertainties relating to the Eurozone sovereign debt crisis and a decrease in the rate of economic growth in emerging markets have led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. As we have significant operations in India and access to the Indian markets for debt financing, this uncertainty and volatility in the Indian financial markets could have a material adverse effect on our business and financial condition.

Our business may be exposed to rising interest rates.

Any increase in the interest rates across key economies across the globe including the U.S. could result in slowdown in foreign currency inflows into the country. This could in turn affect the value of the domestic currency and interest rates. As we have significant operations in India and access to the Indian markets for debt financing, rising interest rates could adversely impact our ability to secure financing on favorable terms.

We may not be able to pass on increases in costs to our customers.

An increase in inflation in India could cause a rise in the price of transportation, wages, raw materials, and other expenses, and we may be unable to reduce costs or pass the increased costs on to our customers by increasing prices, and our business, prospects, financial condition, and results of operations may therefore be adversely affected.

The extent and reliability of Indian infrastructure could adversely affect our results of operations, financial condition, and cash flows.

India's physical infrastructure is less developed than that of many developed nations. Any congestion or disruption in its transportation networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have an adverse effect on our results of operations, financial condition, and cash flows.

Companies operating in India are subject to a variety of central and state government taxes and surcharges.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, custom duty, income tax, equalization levy, goods and services tax, stamp duty and other special taxes, surcharges and cess which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. See "*Risk Factors — Risks Relating to India — Changing laws, rules and regulations and legal uncertainties may adversely affect our business and financial performance.*" The statutory corporate income tax in India in the case of a domestic company, which includes a surcharge on the tax and a health and education cess on the tax, may range up to 34.94% (inclusive of surcharge and health and education cess) where taxable income is computed under normal provisions of the IT Act. If the tax payable by a company, under the normal provisions of the IT Act was less than the minimum alternate tax rate which ranges up to 17.47% (inclusive of surcharge and health and education cess) (computed on the book profits of the company), then minimum alternate tax is payable. Domestic companies also have an option to pay a reduced statutory corporate income tax of 25.17% (inclusive of surcharge and health and education cess), provided such companies do not claim certain specified deduction or exemptions. Further, where a company has opted to pay the reduced corporate tax rate of 25.17%, the minimum alternate tax provisions are not applicable. This beneficial rate is at the option of the company and once the company opts for reduced corporate tax rate of 25.17% in any particular

financial year, it cannot be withdrawn subsequently. Any further change or any ambiguity regarding the present tax regime may result in an increase in our tax cost, which may adversely impact our businesses. Further, the Taxation Laws (Amendment) Act 2019 had announced a beneficial corporate tax rate of 17.16% (inclusive of surcharge and health and education cess) with effect from tax year 2019/20 for companies which are newly incorporated on or after October 1, 2019 and engaged into manufacturing activity provided certain specified conditions as mentioned in Section 115BAB are satisfied. The companies exercising this option have been excluded from the applicability of provisions of Minimum Alternate Tax ("**MAT**") and MAT credit. The total income of the company is calculated without claiming specified tax exemptions and incentives/deductions. This beneficial rate is at the option of the company and once the company opts for Section 115BAB in any particular financial year, it cannot be withdrawn subsequently.

In addition to the corporate income tax, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rate. Non-resident investors may be able to claim benefit, if any, under the applicable Tax Treaty (as defined elsewhere in this Offering Memorandum), read with the Multilateral Instrument ("**MLI**"), if and to the extent applicable. We are required to withhold tax on such dividends distributed at the rate of 10%, where such distribution is made to a resident investor. Similarly, tax would be required to be withheld at rates in force in case of non-resident investors, which can be the lower of 20% or the rate prescribed under the applicable Tax Treaty. Any future changes to the taxability of dividends may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business and results of operations.

Further, the provisions of GAAR have come into effect from April 1, 2017. The GAAR provisions can be invoked once an arrangement is regarded as an "impermissible avoidance arrangement," which is any arrangement the main purpose of which is to obtain a tax benefit and which satisfies at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which is not ordinarily employed for bona fide purposes. Once it is established that the main purpose of any part or step of the arrangement is to obtain tax benefit, the onus will be on the taxpayer to establish that obtaining a tax benefit was not the main purpose of the entire arrangement. If GAAR provisions are invoked, then the tax authorities have wide powers, including denial of tax benefit or a benefit under a tax treaty the consequences and effects of which are not determinable at present.

Additionally, the Government also amended the IT Act in respect of the manner of determining the 'tax residency' of a company in India with effect from April 1, 2017. Previously, a foreign company could be a tax resident of India only if its control and management was situated wholly in India. Under the amended rules, a company is treated as tax resident of India if (i) it is an Indian company; or (ii) its place of effective management ("**POEM**") is in India. POEM is defined in the IT Act to mean a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance, made. The Government has also issued the final guidelines for determining the POEM of a company on January 24, 2017.

The Finance Act 2021 has inserted Section 206AB and Section 206 CCA in the IT Act, which provide for deduction/collection of tax at source at a higher rate for certain non-filers ("**specified person**") of income tax return, who satisfy the conditions prescribed under the said sections. Section 206AA and Section 206CC are already applicable in case of non-furnishing/not holding a valid and operative Permanent Account Number ("**PAN**") for the purpose of imposing higher rates. Relaxation from deduction of higher tax rate under Section 206AA of the IT Act is available in case a non-resident not having a PAN furnishes the specified documents/information.

Another vital measure by the Government, is the introduction of 'Significant Economic Presence' ("**SEP**") in Section 9 of the IT Act, which provides that the SEP of a non-resident in India will constitute its business connection in India, that is, it is an alternative test of 'business connection' under the IT Act. Under the IT Act, a non-resident is said to have a SEP in India, if:(a) transactions relating to goods, services, property, including provision of download of data or software in India carried out by a non-resident in India exceeds the prescribed amount (currently INR 20 million); or (b) the non-resident engages in a systematic and continuous soliciting of business activities or engages in interaction with the prescribed number of users (currently 300,000) through digital means. The rules prescribing threshold for the purpose of SEP have been notified by the Government on May 3, 2021, and are applicable with effect from April 1, 2022.

In the absence of sufficient direct precedents on the subjects, the application of some of these provisions may look uncertain. However, such effects could materially and adversely affect our business, prospects, cash flows, financial condition and results of operations which is difficult to ascertain at this stage.

Our ability to raise foreign capital may be constrained by Indian law.

Given the Group primarily operates in India, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, there can be no assurance that the required approvals will be granted on favorable terms, or at all. Limitations on raising foreign debt may have an adverse effect on our business, financial condition, and results of operations.

Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.

Ratings agencies may lower their sovereign ratings for India or the outlook on such ratings, which would also impact our ratings. On June 1, 2020, Moody's downgraded India's sovereign foreign currency and local currency long term issuer ratings to 'Baa3' from 'Baa2' with a "negative" outlook, which it updated to "stable" in October 2021. S&P Global Ratings has assigned India a 'BBB-' rating with a "stable" outlook, and Fitch has assigned a 'BBB-' rating with a "negative" outlook. There is no assurance that India's credit ratings will not be further downgraded in the future. Any adverse revisions to India's sovereign ratings or credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures, and the trading price of the Notes.

We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.

The Competition Act, 2002, as amended (the "**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which (i) directly or indirectly determines the purchase or sale prices; (ii) limits or controls production, supply, markets, technical development, investment or provision of services; (iii) shares the market or source of production or provision of services by way of allocation of geographical area of market, or type of goods or services, or number of customers in the market or any other similar way; or (iv) directly or indirectly results in bid rigging or collusive bidding, is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. The Competition Commission of India (the "**CCI**") has extra-territorial powers and can investigate any agreements, abusive conduct or combination thereof occurring outside India if such agreement, conduct, or combination has an appreciable adverse

effect on competition in India. However, we cannot predict the impact of the provisions of the Competition Act on the agreements entered into by us at this stage. We are not currently party to any outstanding proceedings, however, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, this would adversely affect our business, financial condition and results of operations.

Increased volatility or inflation of commodity prices in India could adversely affect our business.

In recent months, consumer and wholesale prices in India have stabilized, however, such prices have exhibited inflationary trends in the past and may continue to do so in the future. The Government's Wholesale Price Index stood at 14.23% (provisional) and the Consumer Price Index stood at approximately 4.91% (provisional) for the month of November 2021, respectively. Consumer inflation in India has been high in recent years. Any increase in the volatility or rate of inflation of global commodity prices, in particular oil and steel prices, could adversely affect our customers and contractual counterparties. Although the RBI has implemented various policy measures designed to curb inflation, these policies may not be successful. Increase in inflation in India could cause a rise in the price of transportation, wages, raw materials, and other expenses, and we may be unable to reduce the costs or pass the increased costs on to our customers by increasing the price that we charge for our services, and our financial condition, cash flows and results of operations may therefore be adversely affected.

Trade deficits could have a negative effect on our business.

India's trade relationships with other countries can influence Indian economic conditions. In the year ended March 31, 2021, the overall trade deficit was approximately U.S.$102.2 billion compared to approximately U.S.$157 billion in the year ended March 31, 2020. The decrease in trade deficit contributed to the current account balance turning to positive. However, if India's trade deficits increase or become unmanageable, the Indian economy, and therefore our business, financial condition, results of operations, could be adversely affected.

A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could have an adverse impact on the Group. A rapid decrease in reserves would also create a risk of higher interest rates and a consequent slowdown in growth.

India's foreign exchange reserves were approximately U.S.$636 billion as of December 17, 2021. Flows to foreign exchange reserves can be volatile, and past declines may have adversely affected the valuation of the Rupee. A decline in these reserves could also result in reduced liquidity and higher interest rates in the Indian economy. On the other hand, increased foreign capital inflows could add excess liquidity into the system, leading to policy interventions by the RBI and a consequential slowdown in economic growth. Either way, an increase in interest rates in the economy following a decline in foreign exchange reserves could adversely affect our business, financial condition, results of operations and the trading price of the Notes.

Investors may have difficulty enforcing judgments against us or our respective management in the Indian courts.

The enforcement by investors of civil liabilities, including the ability to affect service of process and to enforce judgments obtained in courts outside of India may be affected adversely by the fact that the Company is incorporated under the laws of India. The majority of our Directors and executive officers currently reside in India, and a substantial portion of our assets and those of our Directors and executive officers are located in India. As a result, it may be difficult to affect service of process upon us or to enforce judgments obtained against us and these persons. The recognition and enforcement of foreign judgments in India is governed by Sections 13 and 44A of the Civil Procedure Code, which provide that a suit must be brought in India within three years from the date of the judgment sought to be enforced.

However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty and shall in no case include an arbitration award, even if such award is enforceable as a decree or judgment. While the United Kingdom and Singapore have been declared by the Government to be reciprocating territories for the purposes of Section 44A of the Civil Code, but the U.S. has not been so declared. A judgment of a court in a jurisdiction, which is not a reciprocating territory, may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. Generally, there are considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under the FEMA to repatriate any amount recovered. See "*Enforceability of Civil Liabilities.*" Any judgment in a foreign currency would be converted into Rupees on the date of the judgment and not on the date of the payment. We cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

There may be less information available in the Indian securities market than in securities markets in other more developed countries.

There is a lower level of regulation and monitoring of the Indian securities market and the activities of investors, brokers, and other participants than in certain Organization for Economic Cooperation and Development ("**OECD**") countries.

There is a difference between the level of regulation, disclosure and monitoring of the Indian securities markets and the activities of investors, brokers, and other participants, and that of markets and market participants in the United States and other more developed economies. The SEBI is responsible for ensuring and improving disclosure and other regulatory standards for the Indian securities markets. The SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may, however, be less publicly available information about Indian companies than is regularly made available by public companies and OECDs in more developed economies, which could adversely affect the market for the Notes.

As a result, investors may have access to less information about the business, results of operations and financial condition of the Group and our competitors that are listed on stock exchanges in India than companies subject to reporting requirements of other more developed countries.

We may not be successful in acquiring assets under the Insolvency and Bankruptcy Code, 2016 ("Bankruptcy Code").

The Bankruptcy Code is a recent legislation which, among others, consolidates the law relating to reorganization and insolvency resolution of corporate entities. Under the Bankruptcy Code, a confidential information memorandum is provided to prospective applicants who satisfy the eligibility criteria with information about the corporate debtor including the liquidation value, the latest annual financial statements and the assets and liabilities. The applicant is required to submit a resolution plan within the prescribed period providing for, among others, payment of insolvency resolution process costs (including amount of any interim finance provided for the corporate debtor), repayment of the creditors as prescribed in the Bankruptcy Code, the details of management and control of the corporate debtor during the term of the resolution plan and the implementation and supervision of the resolution plan. The resolution plan is required to be approved by 66% of the voting share of the financial creditors and thereafter by the NCLT. The corporate insolvency resolution process under the Bankruptcy Code (the "**Bankruptcy Code Process**") was implemented in 2016 and is still evolving.

We may not be able to submit its resolution plan in a timely manner or at all, or the resolution plan submitted by us may not be approved by the committee of creditors or the NCLT. Further, while the Bankruptcy Code has prescribed a maximum period for the Bankruptcy Code Process, as it is relatively untested, we cannot assure you that it will be completed in a timely manner or at all.

The Bankruptcy Code Process may be challenged in court and we may be made a party to such litigation as a bidder or otherwise. Any such litigation could be time-consuming and expensive.

We cannot assure you that we will successfully acquire any entity in respect of which we have chosen to submit a resolution plan. Participation in the Bankruptcy Code Process may distract management attention from our business operations and lead us to incur significant costs, which may have a material adverse effect on our business, reputation, and results of operation.

Changing laws, rules and regulations and legal uncertainties may adversely affect our business and financial performance.

Our business and operations are governed by various laws and regulations. Our business and financial performance could be adversely affected by any change in laws or interpretations of existing, or the promulgation of new laws, rules, and regulations applicable to the business.

For example, the Code on Wages, 2019, the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Social Security, 2020 which propose to subsume the majority of the existing labor laws in India have received the assent of the President of India. The provisions of these codes will be brought into force on a date to be notified by the Central Government.

Further, the Government has enacted laws to lay the framework for a comprehensive national GST regime that combines taxes and levies by the central and state governments into a unified rate structure. Similarly, amendments have been made to direct tax laws relating to tax avoidance mechanisms and disclosure standards. Any future changes to laws that increase taxes or other amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions. In addition, there are uncertainties and ambiguities in relation the existing tax incentive regime. Any adverse changes to the incentive scheme may have a material adverse effect on our business, prospects, financial condition, and results of operations.

There can be no assurance that the Government or state governments will not implement new regulations and policies, which will require us to obtain approvals and licenses from the Government, state government or other regulatory bodies or which will impose onerous requirements and conditions on our operations. Any such changes and related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Differences exist between IND-AS and other accounting principles, such as U.S. GAAP and IFRS. Accordingly, the degree to which the financial statements prepared and presented in accordance with IND-AS contained in this Offering Memorandum will provide meaningful information is dependent on the investor's familiarity with IND-AS and the Companies Act, 2013.

The Group's consolidated financial statements for the years ended March 31, 2019, 2020 and 2021 and the unaudited condensed consolidated interim financial statements for the six months ended September 30, 2021 (including comparatives for the six months ended September 30, 2020) included elsewhere in this Offering Memorandum are prepared and presented in accordance with IND-AS. IND-AS differs from accounting standards and principles with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Differences exist between IND-AS, U.S. GAAP and IFRS. Accordingly, the degree to which the financial information prepared and presented in accordance with IND-AS included in this Offering Memorandum will provide meaningful information is dependent on the investor's familiarity

with IND-AS and the Companies Act, 2013. Any reliance by persons not familiar with IND-AS on the financial disclosures presented in this Offering Memorandum should accordingly be limited.

The lack of an efficient transportation network and reliable transportation infrastructure in India or inadequacies in the connectivity of our ports to the Indian road and rail network may have an adverse effect on us.

We rely on and benefit from transportation and logistics networks and the connectivity and conditions of the road, rail and general transportation infrastructure in India. Generally, the investment in, and maintenance of, transportation infrastructure in India has been poor compared to developed countries.

Inadequacies in the transportation infrastructure in India may result in delays in our deliveries or schedules. While the GoI has announced and implemented several initiatives such as the "python," or long-haul, trains operated by the Indian Railways, which can carry up to 90 wagons, to improve the transportation infrastructure in the country, improvement in such infrastructure will involve major capital expenditure and policy and administrative focus. We cannot assure you that the road, rail and general transportation infrastructure will improve to a level or be maintained at such level that would result in improvement in our business or that the planned improvements to such infrastructure will be completed in a timely manner, or at all. Moreover, as we continue to expand our operations, we cannot assure you that our evacuation infrastructure will be able to accommodate an increase in the volume of cargo handled.

We have made, and will continue to make, transportation and infrastructure investments to improve the connectivity of our ports with the inland regions of India. For example, our Jaigarh Port previously entered into an agreement to develop a 42 km connecting road from Jaigarh Port to the Mumbai – Goa National Highway. The development of such road has been completed and maintenance of the road remains the responsibility of Jaigarh Port. However, our or the Government's investments in improving the connectivity between our ports and the inland regions of India may not be successful or be completed in a timely manner, which could have an adverse effect on our business, cash flows and results of operations.

Regulation of emissions of greenhouse gases may force us to incur increased capital and operating costs and may have an adverse effect on our results of operations and financial condition.

There has been a global regulatory trend for new legislation aimed at the reduction of emissions of greenhouse gases, such as carbon dioxide and methane, and for the creation of enhanced incentives for use of renewable energy and increased efficiency in energy supply and use. In particular, India is actively addressing climate change as a member of the 2016 Paris Agreement. The Paris Agreement aims to implement the necessary drivers to achieve drastic reductions of carbon emissions. The enactment of international agreements in domestic law or the introduction of other comprehensive emissions legislation could restrict our use of coal and other energy sources, increase our fuel costs, or limit our production levels generally.

Forest conservation is also gaining importance with an increased focus on trees in climate change mitigation. The legal framework governing environmental protection in India is becoming more stringent and the scope and extent of such developments, including their effect on our operations, cannot be predicted with any certainty. If India were to adopt new legislation regarding greenhouse gas emissions, it may require us to incur costs to monitor and report emissions or reduce the emissions associated with our operations. Any increased costs or reduced demand may adversely affect our business and results of operation.

Risks Relating to the Notes and the Collateral

The Notes may not be a suitable investment for all investors.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits, and risks of investing in the Notes and the information contained in this Offering Memorandum;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the Conditions and be familiar with the behavior of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments and such instruments may be purchased with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with the help of a financial advisor) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

We may not be able to meet our obligations to pay or redeem the Notes.

The Notes are our secured obligations and will be effectively subordinated to all our present and future secured indebtedness to the extent of the value of the collateral securing such obligations. In addition, the Notes will also rank subordinate to certain liabilities preferred by law, such as claims of the Government on account of taxes and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our assets, will be available to pay obligations on the Notes only after all of the above liabilities that rank senior to the Notes have been paid.

Further, in certain circumstances, Noteholders may require us to redeem all or a portion of the Notes and we would be required to pay all amounts then due under the Notes. In particular, upon a change of control of us, Noteholders may require us to redeem the Notes and following an acceleration of the Notes upon an event of default, we would be required to pay all amounts then due under the Notes which we may not be able to meet. We may not be able to make required payments in connection with the Notes if the requisite regulatory approval is not received or if we do not have sufficient cash flows for those payments.

We may redeem the Notes as a result of certain changes in tax laws.

As described in "*Terms and Conditions of the Notes — Redemption for Taxation Reasons*," if we are required to pay certain additional amounts as a result of certain changes in tax law, we may, subject to certain exceptions, redeem the Notes in whole or in part at their principal amount (together with interest accrued to but excluding the date fixed for redemption).

The right of Noteholders to receive payments on the Notes is junior to certain tax and other liabilities preferred by law.

The Notes will be subordinated to certain liabilities preferred by law such as claims of the Government on account of taxes and certain liabilities incurred in the ordinary course of our business (including trading or banking transactions or workers' dues). Indian laws relating to the Notes and to the enforcement thereof may differ, in some cases significantly, from the laws in other jurisdictions. In particular, in the event of bankruptcy, liquidation or winding-up of our Company, our assets will be available to pay obligations on the Notes only after all of those liabilities that rank senior to these Notes have been paid. In the event of bankruptcy, liquidation, or winding-up of our Company, there may not be sufficient assets remaining, after paying amounts relating to these proceedings, to pay amounts due on the Notes.

Redemption of the Notes prior to maturity may be subject to compliance with applicable regulatory requirements, including the prior approval of RBI or the authorized dealer bank.

Any early redemption of the Notes (whether due to certain tax events, a Change of Control Triggering Event, an Event of Default, or otherwise, each as described in the Conditions) may require the prior approval of RBI or the authorized dealer bank. Compliance with any conditions specified in any such RBI or authorized dealer bank approval will be required. The RBI and the authorized dealer bank may not provide such approval in a timely manner or at all. Furthermore, any modification or waiver of the Conditions which has the effect of modifying or waiving terms which are not permitted under the automatic route for the issue of bonds under the ECB Regulations will require prior approval from the RBI in accordance with the ECB Regulations, and such approval may not be forthcoming.

The Notes are subject to selling restrictions and restrictions on transfer, and may be transferred only to a limited pool of investors, which may adversely affect their liquidity and the price at which they may be sold.

Our Company is not obligated to, and do not intend to, register the Notes under the Securities Act or the securities laws of any other jurisdiction and, unless so registered, the Notes may not be offered or sold except pursuant to an exemption from, or a transaction not subject to the registration requirements of the Securities Act and any other applicable laws. Further, under Indian law, the Notes can only be held by a person that is a resident of an FATF Compliant Country or IOSCO Compliant Country. As a result, the Notes can only be transferred to a limited group of investors, which may adversely affect their liquidity and the price at which they may be sold. See "*Plan of Distribution*" and "*Transfer Restrictions*."

Remittances of funds outside India pursuant to indemnification by us in relation to the Notes require prior RBI approval.

Remittance of funds outside India by us pursuant to indemnity clauses under the Terms and Conditions of the Notes, the Trust Deed, or any other agreements in relation to the Notes requires prior RBI approval. Any approval, if and when required, for the remittance of funds outside India is at the discretion of the RBI and we can give no assurance that it will be able to obtain such approval.

The insolvency laws of India may differ from bankruptcy laws of other jurisdictions with which Noteholders are familiar.

As we are incorporated under the laws of India, an insolvency proceeding relating to us, even if brought in a jurisdiction outside India, would likely involve Indian insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of bankruptcy laws in jurisdictions outside India.

The Terms and Conditions of the Notes contain covenants which may limit our financial and operating flexibility.

The Terms and Conditions of the Notes contain covenants that will restrict our ability to, among other things: (i) incur additional indebtedness, (ii) make restricted payments, (iii) enter into transactions with affiliates, (iv) incur liens and (v) sell assets. These limitations are subject to certain, exceptions and qualifications described in "*Terms and Conditions of the Notes.*"

These covenants could limit our ability to pursue growth plans, restrict our flexibility in planning for, or reacting to, changes in our business and industry and increase our vulnerability to general adverse economic and industry conditions.

Any default under the covenants contained in the Terms and Conditions of the Notes may lead to an event of default under the Notes and may lead to acceleration under our other indebtedness. We may not be able to pay any amounts due to holders of the Notes in the event of any such default and any such default may significantly impair our ability to satisfy our obligations under the Notes.

The Terms and Conditions of the Notes provide that the Trustee may, without the consent of Noteholders, agree to modification, waivers, and substitution of the Trust Deed, the Agency Agreement and/or the Conditions under certain conditions.

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to: (i) any modification of, or the waiver or authorization of any breach or proposed breach of, any of the provisions of the Terms and Conditions of the Notes or of the Trust Deed or the Agency Agreement which, in the Trustee's opinion, is of a formal, minor or technical nature, or is made to correct a manifest error, or is made to comply with applicable law; or (ii) determine, without any such consent as aforesaid, that any Event of Default (as defined in the Trust Deed) or Default (as defined in the Trust Deed) shall not be treated as such, provided that, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders, in each case in the circumstances described in the Terms and Conditions of the Notes (as applicable).

Modifications of, and any waivers under, the Trust Deed, the Agency Agreement and the Notes could be adverse to the interests of Noteholders.

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed, the Agency Agreement and such other conditions as the Trustee may require, but without the consent of the Noteholders, to the substitution of any other company in place of us, or of any previous substituted company, as principal debtor under the Trust Deed, the Notes; provided, however, that immediately after such substitution, we must deliver to the Trustee an opinion of counsel of recognized standing with respect to U.S. federal income tax matters that the beneficial owners of the Notes will not recognize gain or loss for U.S. federal income tax purposes as a result of such substitution and will be subject to the same U.S. federal income tax consequences as if such substitution did not occur.

A holder who holds less than the minimum specified denomination in its account may not receive a definitive Note in respect of such holding.

In relation to the Notes, which have denominations consisting of a minimum specified denomination plus one or more higher integral multiples of another smaller amount, it is possible that these Notes may be traded in amounts that are not integral multiples of such minimum specified denomination. In such a case, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum specified denomination in its account with the relevant clearing system at the relevant time, may not

receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a specified denomination.

Since the Global Certificates are held by or on behalf of the relevant Clearing Systems, investors will have to rely on the relevant Clearing System's procedures for transfer, voting, payment, and communication with us.

The Notes will be represented by the Global Certificates except in certain limited circumstances described under "*Global Certificates.*" The Global Certificates will be deposited with and registered in the name of a nominee of DTC or a common depositary on behalf of Euroclear and Clearstream (the "**Common Depositary**"), as the case may be. Except in certain limited circumstances described under "*Global Certificates*," investors will not be entitled to receive definitive certificates. The relevant Clearing Systems will maintain records of the beneficial interests in the Global Certificates. While the Notes are represented by the Global Certificates, investors will be able to trade their beneficial interests only through the relevant Clearing System. We will discharge our payment obligations under the Notes by making payments to or to the order of the relevant Clearing System for distribution to their account holders credited as having an interest in the Notes. A holder of a beneficial interest in any of the Global Certificates must rely on the procedures of the relevant Clearing System to receive payments under the Notes.

We have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificates. Holders of beneficial interests in the Global Certificates will not have a direct right under the Global Certificates to take enforcement action against us in the event of a default under the Notes but will have to rely upon the Trustee to enforce their rights under the Trust Deed.

The value of the Security may not be sufficient to cover all secured obligations.

The Security that is to be provided to secure the Notes will be shared with other creditors of our Company existing on the Closing Date and future creditors of our Company on a *pari passu* basis. No appraisals of the Security have been or will be prepared. The value of the Security at any time will depend on market and other economic conditions, including the availability of suitable buyers for the Security. By its nature, the Security may be illiquid and may have no readily ascertainable market value. Likewise, the Security might not be saleable or, if saleable, there could be substantial delays in its liquidation.

The rights over the Security Interests will not be granted directly to holders of the Notes.

The Security Interests securing the obligations of our Company under the Notes and the Trust Deed have not been and will not be granted directly to the Noteholders, but will be granted only in favor of the Security Trustee, who shall hold security for the benefit of all Senior Secured Creditors (as defined in the Security Trustee Agreement). As a consequence, Noteholders will not have direct security and will not be entitled to take enforcement action in respect of the security for the Notes, except through the Security Trustee. The Security Interests over certain collateral may in certain circumstances be voidable. The Security Interests securing the Notes may be voidable under insolvency, bankruptcy, fraudulent transfer, or similar laws of England, India. and other jurisdictions, if and to the extent applicable. In the case of the Security Interests being voidable under such laws in England, the relevant time period during which such security is voidable could be within six months of the date of the charge or, under some circumstances, within longer periods. If the Security Interests were to be voided for any reason, Noteholders would have only an unsecured claim against us. Under Indian law, the Security Interests granted by our Company that are in the nature of a floating charge, if created within 12 months immediately preceding the commencement of winding-up, will be void and have no effect unless it is proved that our Company was solvent immediately after the creation of such floating charge.

The Security is only required to be created and perfected within 150 days of the Closing Date or later, and failure to properly create, perfect, and register the Security Interests securing the Notes could impair the ability of the Noteholders to seek repayment.

The obligations of our Company under the Notes constitute direct, unconditional, and unsubordinated obligations of our Company, which will be secured pursuant to the Security Documents. Under the terms of the Trust Deed, we will be obligated to create, perfect, and register the Security Interests securing the Notes in the case of Security to be created and perfected under Condition 4 of the Terms and Conditions of the Notes, within 150 days of the Closing Date. See "*Terms and Conditions of the Notes — Security*." The creation, perfection, and registration of the Security Interests will be subject to various consents, approvals, notices, and authorizations from governmental authorities and other counterparties and such consents, approvals, or authorizations may not be forthcoming. The Notes will not be secured on the Closing Date. Accordingly, some of the documents to be executed in relation to the Notes, including but not limited to the Security Documents are proposed to be entered into only after the Closing Date. Certain terms of these documents may not be in agreed form and consequently the executed documents may differ from the summarized form set out in this Offering Memorandum. Failure to create, perfect, and register the Security Interests within the stipulated timelines would constitute an Event of Default under the Conditions (unless such failure is due to a delay caused by a Government authority in (i) the release of the security granted under our Company's existing debt documents allowing the repayment of indebtedness under such existing debt documents and/or (ii) the filing/registration of such security in favor of the Security Trustee with the Government authorities following its release (to the extent such failure is not caused by or attributable to our Company)), and any claim of the Security Trustee in a bankruptcy or similar proceeding against our Company would be unsecured to the extent that we have failed to create, perfect and register any Security Interests securing the Notes, which could limit any recovery holders of the Notes receive in any such proceeding. As of September 30, 2021, we had ₹39,668.8 million of secured borrowings. To the extent that any of this secured indebtedness remains outstanding after the Closing Date, the creditors of such secured indebtedness will be effectively senior to the obligations due under the Notes, until security over those assets specified in the Conditions is created, in the manner provided in "*Terms and Conditions of the Notes*."

The Notes will not be guaranteed by the Subsidiary Guarantors on the Closing Date; such guarantees will only be provided within 90 days from the Closing Date.

The Company has sought consents from their existing lenders for the provision of the Subsidiary Guarantees by the Subsidiary Guarantors. However, we cannot assure you that the existing lenders will provide these consents or that the Subsidiary Guarantees can be obtained before such date. Failing to provide such Subsidiary Guarantees could lead to an Event of Default under the Notes and holders will not have the benefit of such Subsidiary Guarantees and will only be able to claim against the Company. See "*Terms and Conditions of the Notes — Status*."

The Trustee may request Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction.

In certain circumstances, the Trustee may (at its sole discretion) request Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes any step and/or action and/or institutes any proceeding on behalf of the Noteholders. The Trustee shall not be obliged to take any such steps and/or actions and/or to institute any such proceedings if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may have an impact on when such steps and/or actions can be taken and/or when such proceedings can be instituted. The Trustee may not be able to take steps and/or actions and/or to institute proceedings, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Trust Deed or in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Noteholders to take such steps and/or actions and/or to institute such proceedings directly.

There may be interest rate risks on an investment in the Notes.

Investment in fixed rate instruments involves the risk that subsequent changes in market interest rates may adversely affect the value of the fixed rate instruments.

The price of the Notes following the offering may be volatile.

The price and trading volume of the Notes may be highly volatile. Factors such as variations in our revenues, earnings and cash flows and proposals of new investments, strategic alliances and/or acquisitions and interest rates, could cause the price of the Notes to change. Any such developments may result in large and sudden changes in the volume and price at which the Notes will trade. There can be no assurance that these developments will not occur in the future.

Rupees may not be freely convertible to other currencies.

The convertibility of Rupees is dependent, among other things, on international and domestic political and economic factors, and on measures taken by governments and central banks, including the Government and the RBI. Such measures include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by revaluation of a currency, or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates and the availability of Rupees and vice versa. The taking of any one or more of such measures could adversely affect the value of the Notes as well as any amount which may be payable upon redemption of the Notes.

Your ability to protect your rights through the U.S. federal courts may be limited.

We are incorporated in India. As of the date of this Offering Memorandum, all of our Directors are non-residents of the United States and all or a majority of their assets will be located outside the United States. A majority of our operating assets are located in India. As a result, it may not be possible for investors to effect service of process within the United States upon us or our Directors, or to enforce any judgment obtained in U.S. courts predicated upon civil liability provisions of the U.S. securities laws. In addition, we cannot assure you that civil liabilities predicated upon the federal securities laws of the United States will be enforceable in India. See "*Enforceability of Civil Liabilities.*"

We will follow the applicable corporate disclosure standards for debt securities listed on the India INX, which standards may be different from those applicable to companies in certain other countries.

We will be subject to reporting obligations in respect of the Notes to be listed on the India INX. The disclosure and corporate governance standards imposed by the India INX may be different from those imposed by securities exchanges in other countries or regions such as the United States or the United Kingdom. As a result, the level of information that is available may not correspond to the level to which investors in the Notes are accustomed.

Holders of the Notes may suffer erosion in the return on their investments due to inflation.

Holders of the Notes may suffer erosion in the return on their investments due to inflation. Holders of the Notes may have an anticipated rate of return based on expected inflation rates on the purchase of the Notes. An unexpected rise in inflation could reduce the actual returns to such holders.

Risks Relating to the Market Generally

An active trading market may not develop or be maintained for the Notes, in which case the ability to transfer the Notes will be limited.

The Notes are new securities for which there is currently no existing trading market. Prior to this offering there has been no trading market in the Notes. The liquidity in the market for the Notes will depend on a number of factors, including general economic conditions and the Group's own financial condition, performance and prospects, as well as recommendations of securities analysts. We have been informed by the Joint Lead Managers that they may make a market in the Notes after we have completed this offering. However, they are not obligated to do so and may discontinue such market-making activity at any time without notice. In addition, market-making activity by the Joint Lead Managers' affiliates may be subject to limits imposed by applicable law. As a result, the Group cannot make any assurance that any market in the Notes will develop or, if it does develop, it will be maintained. If an active market in the Notes fails to develop or be sustained, Noteholders may not be able to sell the Notes or may have to sell them at a lower price.

Developments in other markets may adversely affect the market price of the Notes.

The market price of the Notes may be adversely affected by events affecting the international financial markets and world economic conditions. The market for Indian securities is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including India. Since the sub-prime mortgage crisis in 2008, the international financial markets have experienced significant volatility. The global financial crisis, including the sovereign debt crisis in Europe, the COVID-19 pandemic, concerns over recession, inflation or deflation, energy costs, geopolitical issues, commodity prices and the availability and cost of credit, have contributed to unprecedented levels of market volatility and diminished expectations for the global economy and the capital and credit markets. If similar developments occur in the international financial markets in the future, the market price of the Notes could be adversely affected.

An investment in the Notes may subject investors to foreign exchange risks.

The Notes are denominated and payable in U.S. dollars. If investors measure their investment returns by reference to a currency other than U.S. dollars, they would face a risk of adverse movement in the value of that currency in reference to the U.S. dollar due to, among other things, economic, political, and other factors over which the Group has no control. Depreciation of the U.S. dollar against said currency to which investors measure their investment returns could cause a decrease in the effective yield of the Notes or result in a loss to investors. In addition, there may be tax consequences for investors as a result of any foreign exchange gains resulting from any investment in the Notes.

Further, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect the exchange rate or the ability of the Company to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Credit ratings assigned to the Company or the Notes may not reflect all the risks associated with an investment in the Notes and ratings and outlook of the Notes and the Company may be downgraded or withdrawn.

The Notes are expected to be rated 'Ba2' by Moody's and 'BB+' by Fitch. The ratings and outlook represent the opinions of the rating agencies and their assessment of the ability of the Company to perform their obligations under the Notes and credit risks in determining the likelihood that payments will be made when due under the Notes. A rating or outlook is not a recommendation to buy, sell or hold securities. The ratings or outlook can be lowered or withdrawn at any time. The Company is not obligated to inform Noteholders if the ratings or outlook are lowered or withdrawn. A reduction or withdrawal of the ratings may adversely affect the market price and liquidity of the Notes and the Company's and ability to access the debt capital markets. One or more independent credit rating agencies may assign credit ratings to the Company or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes.

Legal considerations may restrict certain investments.

The investment activities of certain investors are subject laws and regulations, or regulatory review by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent:

(1) the Notes are legal investments for it;

(2) the Notes can be used as collateral for borrowing; and

(3) any other restrictions apply to its purchase or pledge of the Notes.

Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

The Notes may not be a suitable investment for investors seeking exposure to assets with sustainability characteristics.

The interest rates relating to the Notes are subject to upward adjustment if the Company is not able to achieve certain targets relating to the amount of carbon dioxide emitted (Scopes 1 and 2) calculated as kg of carbon dioxide equivalent per metric ton of cargo handled by the Company and its Subsidiaries at Southwest Port Goa, Jaigarh Port Maharashtra, Dharamtar Port Maharashtra, Paradip Terminal Odisha, Mangalore Coal Terminal Karnataka, Ennore Coal Terminal Tamil Nadu and Ennore Bulk Terminal Tamil Nadu, as specified in "*Terms and Conditions of the Notes*". Such Notes may not satisfy an investor's requirements or any legal or quasi legal standards for investment in assets with sustainability characteristics and the definition of the Sustainability Performance Target, the interest rate adjustment or other features of the Notes or absence thereof may be inconsistent with investor requirements or expectation or other definitions relevant to greenhouse gas emissions. No representation is made by the Company or the Joint Lead Managers as to the suitability of the Notes to fulfill environmental or sustainability criteria required by prospective investors.

Although the Company targets to reduce the amount of carbon dioxide emitted (Scopes 1 and 2) calculated as kg of carbon dioxide equivalent per metric ton of cargo handled by the Company and its Subsidiaries at Southwest Port Goa, Jaigarh Port Maharashtra, Dharamtar Port Maharashtra, Paradip Terminal Odisha, Mangalore Coal Terminal Karnataka, Ennore Coal Terminal Tamil Nadu and Ennore Bulk Terminal Tamil Nadu, and is decreasing its greenhouse gas emissions, there can be no assurance of the extent to which it will be successful in doing so or that any future investments it makes in furtherance of these targets will meet investor expectations or any binding or non-binding legal standards regarding sustainability performance, whether by any present or future applicable law or regulations or by the Company's own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact. Adverse environmental or social impacts may occur during the design, construction and operation of any investments it makes in furtherance of this target or such investments may become controversial or criticized by activist groups or other stakeholders. No Event of Default shall occur under the Notes, nor will the Company be required to purchase or redeem the Notes if it fails to satisfy its Sustainability Performance Target (or if it fails to report on its progress in relation thereto).

The Company has published a sustainability-linked bond framework (the "**Sustainability-Linked Bond Framework**") and DNV GL Business Assurance India Private Limited, India has issued an opinion (the "**Sustainability-Linked Bond Second-party Opinion**") confirming the alignment of the Sustainability-Linked Bond Framework and/or the with the Sustainability-Linked Bond Principles (the "**Sustainability-Linked Bond Principles**") administered by the International Capital Market Association and analyzing the Sustainability Performance Target. None of the Joint Lead Managers makes any representation or warranty, express or implied, concerning any information in the Sustainability-Linked Bond Framework, and nothing contained in the Sustainability-Linked Bond Framework is, or shall be relied upon as, a promise or representation, from the Joint Lead Managers. None of the Joint Lead Managers accept any responsibility for the contents of the Sustainability-Linked Bond Framework. There is no assurance that the Sustainability-Linked Bond Framework and/or the Notes shall be consistent with any investor requirements or expectations relating to investment in assets with sustainability characteristics. No assurance or representation is given by the Company or the Joint Lead Managers as to the suitability or

reliability for any purpose whatsoever of the Sustainability-Linked Bond Framework, the Sustainability-Linked Bond Second-party Opinion or any report, certification or validation of any third party in connection with the offering of the Notes or the sustainability performance target set to fulfill any green, social, sustainability, sustainability linked and/or other criteria.

As there is currently no clearly-defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes a "sustainable" or "sustainability-linked" or equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "sustainable" or "sustainability-linked" (and, in addition, the scope and/or requirements of any such label may evolve from time to time), no assurance can be given that the Notes will meet any or all investor expectations regarding the Company's targets qualifying as "sustainable" or "sustainability-linked" or that any adverse other impacts will not occur in connection with our efforts to achieve such targets. Investors should note that providers of the Sustainability-Linked Bond Second-party Opinion and providers of similar opinions, certifications and validations are not currently subject to any specific regulatory or other regime or oversight. The Sustainability-Linked Bond Second-party Opinion is not, nor should not be deemed to be, a recommendation by the Company or the Joint Lead Managers or the Sustainability-Linked Notes Structuring Agent or any other person to buy, sell or hold Notes.

Holders of the Notes have no recourse against the Company or the Joint Lead Managers for the contents of the Sustainability-Linked Bond Second-party Opinion, which would only be current as at the date it was to be initially issued. Prospective investors should determine for themselves the relevance of (or lack thereof) the Sustainability-Linked Bond Second-party Opinion and/or the information contained therein and/or the provider of such opinion for the purpose of any investment in the Notes.

Furthermore, the Sustainability-Linked Bond Second-party Opinion may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed above and other factors that may affect the value of the Notes. Any subsequent withdrawal of the Sustainability-Linked Bond Second-party Opinion may affect the value of the Notes and/or may have consequences for certain investors with portfolio mandates to invest in sustainability-linked assets.

The Notes are not being marketed as green bonds, social bonds or any similar purpose financing instrument, since the Company expects to use the proceeds for the purposes described in "*Use of Proceeds*" and therefore the Company does not intend to allocate the proceeds specifically to projects or business activities meeting environmental, sustainability or social criteria, or be subject to any other limitations associated with such instruments.

Achieving the Sustainability Performance Target or any similar sustainability performance target will require us to expend significant resources, while not meeting any such targets would result in increased interest payments and could expose us to reputational risks.

Achieving the Sustainability Performance Target will require our Company to reduce the GHG Emission Intensity. As a result, achieving the Sustainability Performance Targets or any similar sustainability performance target we may choose to include in future financings or other arrangements will require us to expend significant resources.

In addition, if we do not achieve the Sustainability Performance Target or any such similar sustainability performance target we may choose to include in any future financings, it would result in increased interest payments under the Notes or, as the case may be, such other relevant financing arrangements, but could also harm our reputation, the consequences of which could, in each case, have a material adverse effect on our business, prospects, financial condition or our results of operations.

We calculate and report our Key Performance Indicators based on certain standards and guidelines which may change over time, which may affect the way in which we calculate our Key Performance Indicators.

Our Key Performance Indicators are calculated and not measured numbers. We calculate our Key Performance Indicators internally based on broadly accepted standards and guidelines. For example, the applicable standards and guidelines in respect of the GHG Emission Intensity is based on the greenhouse gas protocol. Our performance of the Key Performance Indicators is expected to be assessed externally and independently by the External Verifiers. We will also annually publish, and keep readily available, updates on our performance in the 'Sustainability' section of our annual report which will be easily accessible on our website.

These standards and guidelines continue to be reviewed by expert groups and include contributions from industry bodies, which may change going forward. There is no assurance that the way in which we calculate and report our Key Performance Indicators will not change over time.

The Notes include certain triggers linked to sustainability key performance indicators.

The Notes include certain triggers linked to the Sustainability Performance Target. See "*The Notes may not be a suitable investment for all investors seeking exposure to assets with sustainability characteristics"*. The failure to meet such Sustainability Performance Target by the relevant observation date (as indicated in the Terms and Conditions on or before September 30, 2026), will result in increased interest amounts being payable up to the Maturity Date, which would increase the Company's total cost of funding and may result in a negative impact on the reputation of the Company.

The enforcement of the security interest over the Collateral will be subject to Indian law and the Concession Agreements and the value of the Collateral may not be sufficient to repay the Notes and other pari passu secured indebtedness in full.

The Notes will be secured by (i) a pledge of 100% (one hundred percent) of the shares in each of the Subsidiary Guarantors which are held by the Issuer (and excluding shares held by nominee shareholders of the Issuer) ("**Subsidiary Guarantor Pledge**") and (ii) a first and exclusive charge by way of hypothecation (together with power of attorney) over all the Notes Issuer Loans and rights of the Issuer under the Notes Issuer Loan Documents. Additionally the Notes will also be guaranteed by the respective Subsidiary Guarantors.

As per the terms of the relevant Concession Agreements, the prior written approval of the designated concessioning authorities of the corresponding Subsidiary Guarantors are required before any change in ownership (as defined and/or stipulated under such Concession Agreement) is permitted; therefore, the enforcement of the Subsidiary Guarantor Pledges will be subject to such consent requirements.

As per the terms of the relevant Concession Agreements entered into by Paradip East Quay Coal Terminal Private Limited and JSW Paradip Terminal Private Limited ("**Relevant Subsidiary Guarantors**"), the prior written approval of the designated concessioning authorities under such Concession Agreements is required before any transfer (as defined and/or stipulated under such Concession Agreements) of shareholding or any direct or indirect change in the management control (as defined and/or stipulated under such Concession Agreements) of the Relevant Subsidiary Guarantors is permitted which approval will not be withheld by such designated concessioning authorities except (i) for reasons of national security; or (ii) if the Person proposed for assuming such management control would by virtue of the restrictions imposed under the Applicable Law or the conditions of bidding (including restrictions to avoid anti-competitive and monopolistic practice) and/or public policy be disqualified from undertaking the relevant project. However, the prior written approval of the designated concessioning authority will not be required in respect of a pledge of shares in the Relevant Subsidiary Guarantors in favor of lenders of the Relevant Subsidiary Guarantor as security for the financial assistance extended by such lenders in relation to the relevant project subject to the enforcement and consequent transfer thereof only with the

prior written consent of the designated concessioning authorities and in accordance with the financing documents entered into by the Relevant Subsidiary Guarantor with such lenders. The creation of the Subsidiary Guarantor Pledges provided in respect of the shares held by the Issuer in the Relevant Subsidiary Guarantors as collateral for the benefit of the holder of the Notes, albeit provided as collateral for the proceeds of the Notes which will be on-lent by the Issuer to the Relevant Subsidiary Guarantors to refinance their respective existing project debt, is not a very common practice and to that extent, the designated concessioning authority may not consider the holder of the Notes as the lenders to the relevant project for the purpose of such Concession Agreement. Further, the enforcement of the Subsidiary Guarantor Pledge will be subject to the consent requirements as set out above in this paragraph.

The value of the Initial Share Pledge in the event of a bankruptcy or liquidation of the Issuer or the Subsidiary Guarantors will depend on many factors. In particular, the Subsidiary Guarantor Pledge only has value to the extent that the assets of the Subsidiary Guarantors are worth more than its liabilities. The Initial Share Pledge will be shared on a *pari passu* basis by the holders of the Notes and any other creditors with respect to permitted *pari passu* secured indebtedness, including the certain hedging obligations with respect to the Notes. Accordingly, in the event of a default under the Notes or the other such *pari passu* secured indebtedness and a foreclosure of the Initial Share Pledge, any foreclosure proceeds would be shared by the holders of the Notes and the holders of any other *pari passu* secured indebtedness in proportion to the outstanding amounts of each class of such pari passu secured indebtedness. The value of the Initial Share Pledge at any time will depend on market and other economic conditions, including the availability of suitable buyers for the Initial Share Pledge. By its nature, the Subsidiary Guarantor Pledges may be illiquid and have no readily ascertainable market value. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, the proceeds from any sale or liquidation of the Initial Share Pledge might not be sufficient to pay the Issuer's obligations under the Notes. Any claim for the difference between the amount, if any, realized by holders of the Notes from the sale of the Initial Share Pledge and the obligations under the Notes will rank equally in right of payment with all of the Issuer's unsecured senior debt and other unsubordinated obligations.

The right of the Issuer to receive payments under the Notes Issuer Loans will be junior to certain other liabilities preferred by law.

The Notes Issuer Loans may be subordinated to certain liabilities of the relevant Restricted Subsidiary preferred by law such as claims of the relevant concessioning authorities, Government of India ("**GoI**") on account of taxes, and certain liabilities incurred in the ordinary course of the Restricted Subsidiary's trading or banking transactions. In particular, in the event of bankruptcy, liquidation or winding-up, each Restricted Subsidiary's assets will be available to pay obligations on the relevant Notes Issuer Loans only after all of those liabilities that rank senior to the Notes Issuer Loans have been paid. In the event of bankruptcy, liquidation or winding-up of a Restricted Subsidiary, there may not be sufficient assets remaining, after paying amounts relating to these liabilities, to pay amounts due on the Notes Issuer Loans.

In case of an institution and admission of an insolvency resolution process with respect to any Restricted Subsidiary under the provisions of the Insolvency and Bankruptcy Code 2016, as amended (the "**Bankruptcy Code**"), a committee of creditors of the insolvent Restricted Subsidiary would be constituted which would be responsible for appointment of the resolution professional, approval of the resolution plan etc. The committee of creditors under the Bankruptcy Code would consist of all the financial creditors (being the lenders of debt along with interest disbursed against the consideration of time value of money) of the insolvent Restricted Subsidiary. The Bankruptcy Code, however, precludes "related parties" (as defined in the Bankruptcy Code, which includes a holding company of the Restricted Subsidiary) from participating in the committee of creditors. As the Issuer will be considered as a related party of the insolvent Restricted Subsidiary by virtue of the Issuer's shareholding in the insolvent Restricted Subsidiary, the Issuer would (as a related party) be precluded from participating in the committee of creditors (as the lender of the Notes Issuer Loans) in case of an insolvency proceeding in relation to any Restricted Subsidiary. Even if a change of control of the insolvent Restricted Subsidiary were to occur, given that the Issuer was a related party of the insolvent Restricted Subsidiary at the time the Notes Issuer Loans were provided by the Issuer to the insolvent Restricted Subsidiary, it is possible that the adjudicating authority under the Bankruptcy Code may nonetheless preclude the Issuer from participating in the committee of creditors of the insolvent Restricted Subsidiary.

If any Restricted Subsidiary's Concession Agreement is terminated or transferred to another party, the amounts received by way of termination payments from the relevant concessioning authority or from any party substituting such Restricted Subsidiary may not be sufficient to repay the Notes Issuer Loans.

Upon the occurrence of any default by a Restricted Subsidiary under the relevant Concession Agreement, the relevant concessioning authority has the right to suspend, and thereafter terminate, the Concession Agreement. If a Concession Agreement is terminated as per the terms thereof, then a termination payment (calculated in the manner provided under such Concession Agreement) may be payable by the relevant concessioning authority.

Any such termination payment will be received in the relevant escrow account of the corresponding Restricted Subsidiary and any repayment of the Notes Issuer Loans after receipt of such termination payment will be subject to the waterfall prescribed in the relevant escrow agreement of such Restricted Subsidiary. There is no assurance that any Restricted Subsidiary will have sufficient monies available to repay the relevant Notes Issuer Loans in full following any termination of a Concession Agreement, which may have a material adverse effect on our business, prospects, financial conditions, results of operations, cash flows and ability to service our debt, including the Notes.

Further, regular payments (including interest) on the Notes Issuer Loans shall be subject to the escrow waterfall under the relevant Concession Agreements, and there is no assurance that any Restricted Subsidiary will have sufficient monies available to make such payments in case of insufficiency in the respective escrow accounts.

The Notes Issuer Loans will be effectively subordinated to the secured obligations of each Restricted Subsidiary to the extent of the assets serving as security for such obligations.

Each Notes Issuer Loan will be unsecured and to that extent, the Notes Issuer Loan will be effectively subordinated to any secured obligations of each of the Restricted Subsidiary to the extent of the assets serving as security for such obligations. In an event of insolvency of any Restricted Subsidiary, the holder of a security interest with respect to any assets of such Restricted Subsidiary would be entitled to have the proceeds of such assets applied to the payment of such holder's claim before the remaining proceeds, if any, are applied to the claims of the lender under the Notes Issuer Loans.

The claims of the holders of the Notes under the respective Subsidiary Guarantees will be effectively subordinated to the secured obligations of each Subsidiary Guarantor to the extent of the assets serving as security for such obligations.

The obligations of the Subsidiary Guarantors under the Subsidiary Guarantees will be unsecured and to that extent, such obligations of the Subsidiary Guarantors will be effectively subordinated to any secured obligations of each of the Subsidiary Guarantor to the extent of the assets serving as security for such obligations. In an event of insolvency or bankruptcy of any Subsidiary Guarantor, the holder of a security interest with respect to any assets of such Subsidiary Guarantor would be entitled to have the proceeds of such assets applied to the payment of such holder's claim before the remaining proceeds, if any, are applied to the claims of the holders of the Notes under the Subsidiary Guarantees.

The rights over the Collateral will not be granted directly to holders of the Notes.

The rights over the Collateral will not be granted directly to the holders of the Notes, but will be granted only in favor of the Security Trustee. As a consequence, holders of the Notes will not have direct security and will not be entitled to take enforcement action in respect of the security for the Notes, except through the Security Trustee.

The failure of our Company and the Subsidiary Guarantors to properly create, perfect and register the Collateral and furnish the Subsidiary Guarantees will result in an Event of Default under the Notes, and could impair the ability of the Noteholders to seek repayment.

Under the Terms and Conditions of the Notes, our Company and the Subsidiary Guarantors will be obligated to create, perfect and register the Collateral and the furnish the Subsidiary Guarantees on or before the respective security longstop dates as set out in "*Description of the Collateral and Security Documents*". The creation, perfection and registration of the Collateral and provision of the Subsidiary Guarantee will be subject to us procuring relevant consents from our existing lenders and procuring approvals from the authorized dealer bank, which may be delayed. Accordingly, some of the documents to be executed in relation to the Notes for creation and perfection of the Collateral and notification of effectiveness of the Subsidiary Guarantees are proposed to be entered into on or before the respective security longstop date. The Notes will not be secured and/or guaranteed, on the Closing Date. The Notes will be secured to the extent of the Collateral and guaranteed by the Subsidiary Guarantees on or before the respective security longstop date. Certain terms of these documents may not be in agreed form and consequently the executed documents may differ from the summarized form set out in this Offering Memorandum. If our Company and/or the Subsidiary Guarantor fail to create, perfect and register the Collateral and/or furnish the Subsidiary Guarantees within the specified time period, an Event of Default will occur under the Terms and Conditions of the Notes and the Note Trustee could (but is not obliged to), request the Security Trustee to enforce the Notes. In such circumstances, our Company may not have sufficient resources to repay the Notes, in full or at all. Moreover, any claim of the Security Trustee in a bankruptcy or similar proceeding would be unsecured to the extent that our Company have failed to create, perfect and register any Collateral, which could limit any amount recovered by the holders of the Notes in any such proceeding.

The Subsidiary Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Subsidiary Guarantees.

The Insolvency and Bankruptcy Code in India may adversely affect our ability to pay back creditors. The Bankruptcy Code provides for reorganization and insolvency resolution of corporate persons. The Bankruptcy Code offers a uniform, comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial service providers). It allows creditors to assess the viability of a debtor as a business decision and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates an institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms that facilitate a formal and timebound insolvency resolution and liquidation process. The Bankruptcy Code enables a creditor to initiate a corporate insolvency resolution process ("**CIRP**") against the debtor, including on default in payment of debt by the debtor. Further, in the event the petition for the CIRP is admitted by the National Company Law Tribunal against the debtor, the moratorium provisions under the Bankruptcy Code prohibits, among other things, the creation of encumbrances, disposing of assets of the debtor, any action to enforce the security interest of the debtor and the institution or continuation of legal proceedings against the debtor. If the Bankruptcy Code provisions are invoked against us, it may adversely affect our ability to pay back creditors and enforcement of creditor rights will be subject to the Bankruptcy Code.

The enforceability of the Subsidiary Guarantee will be subject to Indian law. The laws of India may limit (i) on account of a change in applicable regulations, the ability of the Subsidiary Guarantor to guarantee the Notes, and/or (ii) any obligations other than such entities' direct obligations or the obligations of such entities' subsidiaries and/or impose a time limit pursuant to which a claim must be made under the Subsidiary Guarantee. These limitations arise under various provisions or principles of corporate and tax law which include provisions requiring a guarantor to receive adequate corporate benefit from the financing, financial assistance rules, rules governing preservation of share capital and fraudulent transfer principles. Accordingly, if the Noteholders were to enforce the Subsidiary Guarantee, their claims may be limited. If these limitations were not observed, the Subsidiary Guarantee could be subject to legal challenge. Any enforcement of the Subsidiary Guarantee after an insolvency event of the Subsidiary Guarantor will be subject to the insolvency and administrative laws of India, or the insolvency laws of the

country where the Subsidiary Guarantor's center of main interests is (being, India). The insolvency, administrative and other laws of each of these jurisdictions may be materially different from, or in conflict with, each other, including in the areas of rights of creditors, priority of governmental and other creditors, ability to obtain post-petition interest and duration of the proceeding. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's law should apply, and could adversely affect the ability of the Noteholders to enforce their rights under the Subsidiary Guarantee or could limit any amounts that the Noteholders may receive. Under bankruptcy laws, fraudulent transfer laws, insolvency or unfair preference or similar laws in India, a guarantee could be voided, or claims in respect of a guarantee could be subordinated to all other debts of the guarantor. Under the laws of India, a guarantor may be considered to be discharged of its guarantee obligations upon the occurrence of the following: (i) there is a material alteration to the terms of the contract between the principal debtor and the creditor, without the consent of the guarantor. However, the guarantor would continue to be liable for obligations effected prior to the variation; (ii) the principal debtor is released of its obligations to the creditor or by any act or omission of the creditor, the legal consequence of which is the discharge of the principal debtor, unless there is an agreement to the contrary; (iii) the creditor makes a composition with or promises to give time to or not to sue, the principal debtor, unless the guarantor agrees to such contract; and (iv) the creditor does any act which is inconsistent with the rights of the guarantor or omits to do any act which their duty to the guarantor requires them to do and the eventual remedy of the guarantor against the principal debtor is discharged, if the waivers under the guarantee are not upheld by the courts in India.

USE OF PROCEEDS

The gross proceeds from the issue of the Notes will be U.S.$400,000,000. Subject to compliance with applicable laws and regulations and as permitted by the RBI under the ECB Guidelines, the Company intends to use the proceeds from this offering primarily to repay existing indebtedness of the Company and its Subsidiaries; and for capital expenditures; and for such other purposes as may be permitted by the RBI under the ECB Guidelines from time to time.

CAPITALIZATION

The following table sets forth our short-term and long-term debt and shareholders' equity as at September 30, 2021 on a consolidated basis derived from our Unaudited Condensed Consolidated Interim Financial Statements as at and for the six months ended September 30, 2021 and as adjusted to give effect to the issuance of the Notes offered, as if such issuance had occurred as at such date. The "as adjusted" data set forth below gives effect to the issuance of the Notes.

This table should be read in conjunction with "*Summary Financial Information and Throughput Data*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," "*Use of Proceeds*," and our Consolidated Audited Financial Statements and Unaudited Condensed Consolidated Interim Financial Statements included elsewhere in this Offering Memorandum.

	As at September 30, 2021			
	Actual		As adjusted	
	(₹ in millions)	(U.S.$ in millions)(note 1)	(₹ in millions)	(U.S.$ in millions)(note 1)
Borrowings				
Current borrowings(note 2)	802.1	10.8	802.1	10.8
Non-current borrowings(note 3)	39,801.1	536.0	39,801.1	536.0
Notes to be issued(note 4)	–	–	29,702.0	400.0
Total borrowings (A)(note 5)	40,603.2	546.8	70,305.2	946.8
Equity				
Equity share capital	599.3	8.1	599.3	8.1
Other equity	30,527.2	411.1	30,527.2	411.1
Non-controlling interests	2,031.5	27.4	2,031.5	27.4
Total equity (B)	33,158.0	446.6	33,158.0	446.6
Total capitalization (A+B)	73,761.2	993.4	103,463.2	1,393.4

Notes:

(1) Except as otherwise stated, Rupee amounts as at and for the six months ended September 30, 2021 were converted to U.S. dollars at the exchange rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

(2) Current borrowings include buyer's credit and bank overdraft.

(3) Non-current borrowings include debentures, term loans and related party loans.

(4) The Notes to be issued represent the aggregate principal amount of the Notes.

(5) After giving effect to the issuance of the Notes, our Total Borrowings will be ₹70,305.2 million (U.S.$946.8 million), assuming the Indian Rupee amount has been translated into U.S. dollars at a rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

Other than as disclosed above, there have been no material changes in our capitalization since September 30, 2021.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey our management's perspective on our financial condition and results of operations for Fiscal Years 2019, 2020 and 2021 and the six months ended September 30, 2021. Our audited financial statements for Fiscal Years 2019, 2020 and 2021 and reviewed financial statements for the six months ended September 30, 2021, each included in this Offering Memorandum, have been prepared and presented in accordance with IND-AS.

The following discussion of our financial condition and results of operations should be read in conjunction with our consolidated financial statements, the schedules and notes thereto and the other information included elsewhere in this Offering Memorandum.

This section contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those discussed in such forward-looking statements as a result of various factors, including those described under the sections "Forward-looking Statements" and "Risk Factors."

Overview

We are one of India's leading private sector infrastructure development companies and among the top two port developers and operators in India in terms of cargo capacity and traffic volumes (source: CRISIL Industry Report: Study on Ports Sector in India, December 2021). Our capacity has increased significantly in recent years as a result of our commissioning of new terminals, expansion of the capacity at our existing facilities, and acquisitions of new terminals. As of September 30, 2021, the two ports and seven terminals we operate have an operational capacity of 173.2 MMTPA in aggregate. In addition, we are undertaking greenfield and brownfield expansion projects, and our projected capacity is expected to reach 179.2 MMTPA by Fiscal Year 2023. We are committed to developing seaports, and benefit from the geographically diversified locations of the ports and terminals we currently operate in the five Indian states of Maharashtra, Goa, Odisha, Karnataka, and Tamil Nadu, in addition to the United Arab Emirates ("**UAE**"). Our ports and terminals in India are well connected to the industrial and consumer hinterlands of Maharashtra, Goa and Karnataka on India's west coast, as well as Odisha and Tamil Nadu on the nation's southeast shore, thereby providing access throughout the Indian coastline across the western, eastern and southern coasts of India. We also operate under O&M arrangements two terminals in Fujairah Port in Fujairah, UAE. We have a strong track record for timely project implementation and developing and operating multi-location, multi-cargo ports and terminals since commencing operations in 2004 and believe that we will be able to successfully bring new operations online, benchmarked to international standards.

In Fiscal Year 2021, we handled a total cargo volume of 58.7 MMT, representing a year-on-year growth of 13.1%. Despite a challenging macro-economic landscape, we were able to successfully conclude the acquisition of the Chettinad Group's port business and took over operations at Ennore Coal Terminal, Ennore Bulk Terminal, and Mangalore Coal Terminal, adding 17 MMTPA in capacity. The acquisition represents a substantial breakthrough in terms of diversification of revenues and handling independent operations, rather than being dependent on the JSW Group business. As at March 31, 2021, coal, coke, fluxes, iron ore, liquid cargo, and other cargo represented 12.7%, 27.2%, 4.1%, 26.9%, 0.4% and 28.7% of our total cargo, respectively. Major Ports, Non-Major Ports, and O&M Ports represented 39.5%, 37.9% and 22.6% of our throughput, respectively.

Our total income for Fiscal Years 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021 was ₹11,815.9 million, ₹12,373.7 million, ₹16,782.6 million, ₹6,643.6 million and ₹11,230.2 million, respectively. Our profit for the year/period attributable to our owners for Fiscal Years 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021 was ₹2,667.2 million, ₹1,904.2 million, ₹2,913.8 million, ₹1,216.5 million and ₹2,058.5 million, respectively. Our EBITDA for Fiscal Years 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021 was ₹7,134.7 million, ₹7,134.2 million, ₹8,911.3 million, ₹3,721.8 million and ₹5,571.1 million, respectively.

Significant Factors Affecting Our Results of Operations

Impact of the COVID-19 pandemic on our Company

The impact of the COVID-19 pandemic has been minimal on the cargo handled by our ports, with our cargo volume increasing by 13.1% to 58.7 MMT in Fiscal Year 2021 from 51.9 MMT in Fiscal Year 2020. Our performance has been much better than other Indian ports and Major Ports in India, for which throughput declined by 4.6% year-on-year to 1,250 MMT and by 4.5% year-on-year to 673 MMT, respectively, during the same period (source: CRISIL Industry Report: Study on Ports Sector in India, December 2021).

During the six months ended September 30, 2021, India experienced a second outbreak of the COVID-19 pandemic. However, during this period, the lockdowns and other restrictions imposed by the Government were not as severe as the previous lockdowns in Fiscal Year 2021, thus our throughput did not experience major impacts, recording 36.6 MMT in the six months ended September 30, 2021 as compared to 23.8 MMT in the six months ended September 30, 2020. Our business was stable as port operations were classified as an "essential service" and all our ports were operating during the lockdowns. We also utilized mechanized cargo handling operations to minimize manpower requirements. In addition, we believe that our corporate social responsibility policy has facilitated support from local communities and governments, thereby allowing us to maintain sufficient manpower at our ports and terminals.

We intend to continue to focus on maintaining the growth of cargo volumes handled at our ports, generate adequate liquidity for our operations and conserve cash until there is more certainty regarding the world's response to the COVID-19 pandemic. We are also improving efficiency by using new technology for our operations. In particular, we plan to upgrade all of our ports to achieve full mechanization to enable high productivity, low transaction costs, and fast turnaround times. We expect to save on operating costs by eliminating redundancy, converting fixed cost to variable cost, and imposing stricter control on overhead costs. We are continuing to implement these practices at all levels and are targeting to achieve cost savings of approximately 2% to 3% per annum in respect of our operating costs. We have taken steps and implemented policies to safeguard our employees, businesses, and communities surrounding our operations from the threats posed by the COVID-19 pandemic, and comply with guidelines issued by governmental bodies. We have implemented safeguarding procedures at all ports and facilities to ensure safety of our workforce and employees, which is our top priority, as well as maintain business continuity. We have made necessary arrangements for providing a health and safe working environment for our personnel working at our ports, facilities, and corporate offices, including, periodic reverse transcription polymerase chain reaction testing for COVID-19, vaccination of personnel, circulating COVID-19 precaution guidelines to our employees, regular sanitization of facilities, equipment, ships and other vehicles, thermal scanning, safe distancing measures, and regular hygiene checks, among others.

Cargo Volumes

Our results of operations depend, to a significant extent, on the cargo volumes and mix handled at our facilities. The cargo that we handle depends in turn on the strength of the Indian economy and Government policies, as amended from time to time, the levels of global and regional trade, the continued globalization of world trade (which has historically led to an increase in the volume of seaborne cargo), competition from new and existing ports in India, industry trends such as consolidation and changes in shipping alliances, and new long-term and short-term agreements into which we enter. In addition, we have mitigated business risk by entering into certain long-term port service agreements with various customers across all key terminals. In order to mitigate business and financial risks, we have entered into strategic partnerships with various stakeholders for the development and/or operation of cargo terminals having the capacity to handle liquid and container cargo. We intend to enter into more of such partnerships in the future.

Our total cargo volume split between long-term contracts and short-term contracts is set out below for the periods indicated:

	Year ended March 31,			Six months ended September 30,	
	2019	2020	2021	2020	2021
			(in MMT)		
Long-term contracts	35.8	29.4	24.2	10.5	12.3
Long-term contracts under take-or-pay agreements	19.4	19.4	21.3	9.7	12.2
Short-term contracts	2.0	3.1	13.3	3.6	12.1
Total	**57.1**	**51.9**	**58.7**	**23.8**	**36.6**

Our cargo volume has increased in recent years as a result of a number of factors, including increasing capacity through expansion at Dharamtar Port and Jaigarh Port, commissioning of the greenfield terminal, Paradip Iron Ore Terminal, and the acquisition of three terminals at Ennore Port and New Mangalore Port.

In Fiscal Year 2021, our cargo handling capacity was 143.2 MMTPA and the volume we handled was 58.7 MMT. We expect our cargo volume handled to continue to increase as we expand our overall capacity and infrastructure at our existing ports and commission new terminals currently under construction.

Our total cargo volume handled at various facilities is set out below for the periods indicated:

	Year ended March 31,			Six months ended September 30,	
	2019	2020	2021	2020	2021
			(in MT)		
Jaigarh Port	12.88	10.36	9.24	3.76	6.51
South West Port	5.25	6.62	6.84	3.47	3.49
JSW Infrastructure Limited (O&M)[1]	4.19	3.17	3.59	1.55	1.43
Dharamtar Port	12.69	12.84	12.90	5.50	7.19
Paradip Port[2]	–	1.01	8.43	3.73	4.08
Fujairah Terminal[3]	22.11	17.90	13.17	5.81	6.75
Ennore Coal Terminal[4]	–	–	3.14	–	4.48
Ennore Bulk Terminal[4]	–	–	0.39	–	0.65
Mangalore Coal Terminal[4]	–	–	1.02	–	2.05
Total	**57.12**	**51.90**	**58.72**	**23.82**	**36.63**

Notes:

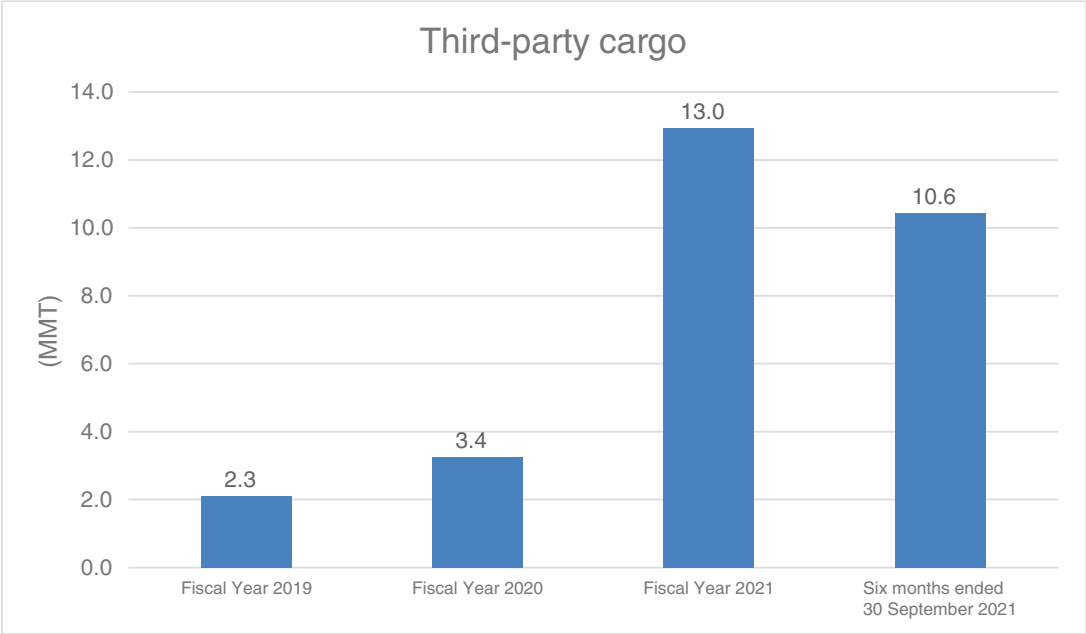
(1) We handle cargo for JSW Steel, under a cargo handling agreement between JSW Steel and JSW Infrastructure Limited, at Berth 7 and Berth 10 at Mormugao Port, which are terminals owned and operated by an external operator.

(2) Commenced operations on September 25, 2019.

(3) We entered into an O&M contract on November 8, 2016 for cargo handling at two terminals at Fujairah Port.

(4) Commenced operations under our Group after acquisition on November 13, 2020.

The cargo that we handle is comprised of two categories: cargo from businesses within the JSW Group ("**JSW Group cargo**") and cargo from external non-JSW Group customers ("**third-party cargo**"). The mix of our JSW Group cargo to third-party cargo in Fiscal Year 2020 was 9:1 and improved to 7:3 in Fiscal Year 2021. Our third-party cargo levels is set out below for the periods indicated:



Our Expansion Plans

In Fiscal Year 2021, we acquired Ennore Coal Terminal, Ennore Bulk Terminal and Mangalore Coal Terminal from Chettinad Group for approximately ₹10 billion, adding capacity of 17 MMTPA to our operations. We have also completed the expansion of Dharamtar Port from 16 MMTPA to 34 MMTPA, in line with the 5 MMTPA to 10 MMTPA capacity expansion at JSW Steel's Dolvi plant.

In Fiscal Year 2020, we won the bid for our first container terminal and signed a concession agreement with New Mangalore Port Trust ("**NMPT**").

In Fiscal Year 2015, we won the contract for mechanization of the Eastern Quay ("**EQ**")1, EQ2 and EQ3 berths at the Paradip Port ("**Paradip Coal Exports Terminal**"). We entered into the concession agreement in May 2016 and received the letter of award in December 2017, following which we commenced construction and mechanization of the terminal. We had initially anticipated that the terminal would become operational during Fiscal Year 2019, however, due to delays in connection with the COVID-19 pandemic as well as technical issues, the project was completed in August 2021. The terminal received its provisional commercial operation certificate on August 16, 2021, the completion certificate on December 28, 2021, and the commercial operation date was September 12, 2021. The terminal has a handling capacity of 30 MMTPA.

Our future expansion plans may require a considerable amount of expenditure, and, once operational, we expect to have additional capacity in new and existing geographies, and higher revenue from cargo handled and related logistics services. See "*Risk Factors — Risks Relating to Our Business — Our investments in developing additional services, facilities, and sources of income for our port business may not be successful*" for risks associated with our current expansion plans.

Pricing and Revenue Models

Generally, the prices we charge for our services depend on a number of factors, including (i) the volume of cargo handled, (ii) the type of cargo handled, (iii) the types of customized services provided to customers, and (iv) competitive pricing by other ports. We have been able to increase our pricing following negotiations with our customers regarding commercial terms and for the provision of various value-added services. The pricing for cargo handling at our ports is commercially driven, except for terminals at Major Ports (namely JSW Paradip Terminal Private Limited, Paradip East Quay Coal Terminal Private Limited, Mangalore Coal Terminal Private Limited, JSW Mangalore Container Terminal Private Limited and South West Port Limited), where pricing is governed by the methodology established by the TAMP. However, the port trust and concessionaire can rework the pricing mechanism at their discretion.

For certain customers with respect to cargo (primarily coal and steel), we typically enter into long-term agreements which provide for some or all of the following: (i) fixed charges per year, (ii) variable charges based on the volume or type of cargo handled or transported, each with a periodic adjustment linked to an index and various value-added charges, and/or (iii) minimum guaranteed cargo. For other customers, we enter into spot contracts or short and medium-term agreements which allow us to renegotiate the terms and pricing of these agreements to reflect prevailing market conditions. We have entered into long-term take-or-pay agreements with some of our customers for the provision of our port operation services (see "*Our Business — Port Services — Long-term Agreements*" for further details). The majority of our take-or-pay contracts expire in 2030 or later and are further extendable on an arm's length basis, with the longest not expiring until 2058. We receive a stable fixed income each year from such agreements, irrespective of the cargo volume handled. Apart from such fixed income, we also receive revenue in the form of variable charges per metric ton on the basis of the actual cargo handled at the terminals.

Cargo and Service Mix

Our results of operations depend substantially on the variety of cargo handled and services that we provide to our customers. Our five broad categories of cargo handled are (i) thermal coal, (ii) coking coal, (iii) iron ore, (iv) fluxes, (v) liquid, and (vi) general and other cargo. The cargo volumes across the above categories for the periods indicated are provided in the table below:

	Year ended March 31,			Six months ended September 30,	
	2019	**2020**	**2021**	**2020**	**2021**
			(in MT)		
Thermal coal	4.59	4.70	7.46	1.44	8.91
Coking coal[1]	12.41	15.96	15.94	7.45	7.76
Fluxes	2.39	2.40	2.41	1.08	1.56
Iron ore	11.89	8.33	15.79	6.47	8.90
Liquid	0.30	0.06	0.25	–	0.07
Other – general cargo[2]	25.54	20.45	16.87	7.39	9.43
Total	**57.12**	**51.90**	**58.72**	**23.82**	**36.63**

Notes:

(1) The entire volume of coking coal cargo is handled for JSW Steel.

(2) "Other – general cargo" includes O&M cargo of 22.11 MT, 17.90 MT, 13.17 MT, 5.81 MT and 6.75 MT for the years ended March 31, 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021, respectively.

The port and related services we provide include (i) marine services, (ii) stevedoring, (iii) cargo handling, (iv) internal transportation, (v) storage, (vi) value-added services (e.g., shifting and blending of cargo and bagging), (vii) last mile evacuation, and (viii) other logistics services. The pricing of the services that we provide depends on, among other things, the type of cargo handled and the type of service offered. As a result, the type of cargo that we handle may substantially affect our results of operations. Our ability to maintain a diverse mix of cargo handled and other services performed allows us to diversify our income sources, reduce financial risk and compete more effectively.

Capacity and Utilization

Our results of operations are affected by the capacities and utilizations of our terminals, berths, equipment, and other infrastructure. Our capacities have increased significantly in recent years as a result of our commissioning of new terminals, expansion of the capacity at our existing facilities, and acquisitions of new terminals. The increased capacity will result into handling higher cargo volume going forward. We have also, and continue to, benefit from the deep drafts at our facilities, which allow us to accommodate larger ships that can handle larger volumes of cargo.

Our capacity by port and terminal is set out in the table below:

	Year ended March 31,						
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
				(in MMT)			
Jaigarh Port	15.0	20.0	20.0	50.0	50.0	50.0	50.0
Dharamtar Port	8.0	8.0	13.0	16.0	16.0	34.0	34.0
South West Port	10.0	12.0	12.0	15.0	15.0	8.5	8.5
Paradip Iron Ore Terminal	–	–	–	–	–	10.0	10.0
Fujairah Terminal	–	–	–	24.0	24.0	24.0	24.0
Ennore Coal Terminal	–	–	–	–	–	–	8.0
Ennore Bulk Terminal	–	–	–	–	–	–	2.0
Mangalore Coal Terminal	–	–	–	–	–	–	6.7
Total	**33.0**	**40.0**	**45.0**	**105.0**	**105.0**	**126.5**	**143.2**

Tax Incentives

The normal corporate tax rate of 30% is applicable to all corporates in India, however certain tax incentives have been claimed by a few of our Subsidiaries under Section 80 IA of the Income Tax Act for developing, operating and maintaining ports. These tax incentives are made available to us for a period of 10 consecutive years in a block of 15 years from commencement of operations on or before March 31, 2017. Furthermore, certain Subsidiaries have also claimed deductions under Section 35AD of the Income Tax Act in relation to the capital expenditure incurred by them. We and our Subsidiaries have been paying Minimum Alternate Tax ("**MAT**") under the provisions of the Income Tax Act and are eligible for MAT credit in the coming years, which would be made available for set off for up to 15 years. We intend to utilize the entire MAT credit within the prescribed time period so that no MAT credit lapses. Therefore, there may not be a material increase in the tax liability until such time as we are able to set off our tax liability against available MAT credit. On the earlier of expiry of MAT credit period or utilization of the entire MAT credit and when our Subsidiaries are able to use unabsorbed business loss, if any, we will decide whether to opt in to the new tax regime, that is, to pay income-tax at the rate of 22% subject to condition of not availing any exemption or incentive, which option is available to us under the GoI notification issued in September 2019. In the event we do elect to opt into the new tax regime, such change will not elevate tax liabilities significantly compared to current levels wherein tax incentives are being availed. See "*Risk Factors — Risks Relating to Our Business — Some of our Subsidiaries are currently taking advantage of certain benefits and exemptions under the Income-tax Act which are subject to the policies and decisions of the income tax authorities.*"

Our financial statements are prepared under IND-AS, which are based on IFRS. In preparing our financial statements, estimates and judgments are used based on, among other things, industry trends, our experience and the terms of existing contracts, all of which are subject to an inherent degree of uncertainty. For information on our significant accounting policies, disclosure as per applicable accounting standards and for the financial period presented in this Offering Memorandum, please refer to the respective annual Audited Consolidated Financial Statements and Unaudited Condensed Consolidated Interim Financial Statements set forth elsewhere in this Offering Memorandum.

While we believe our estimates and judgments to be reasonable under the circumstances, there can be no assurance that our judgments will prove correct or that actual results reported in future periods will not differ from expectations reflected in our accounting treatment of certain items. In addition, other companies may utilize different accounting policies, which may impact the comparability of our results of operations to those of companies in similar businesses.

Critical Accounting Policies

Description of Main Income Statement Items

"**Revenue from operations**" comprises revenue from contracts with customers (including cargo handling income and berth hire income, and storage income, among others) and other operating income.

"**Other income**" comprises interest income, mutual fund income, dividends and exchange gain/loss.

"**Operating expenses**" comprise cargo handling expenses, stores and spares consumed, and repairs and maintenance for plant and machinery.

"**Employee benefits expense**" comprises salaries and wages (including bonuses), ESOP, contributions to provident and other funds, and staff welfare expenses.

"**Finance costs**" comprises interest on loans, debentures and other forms of indebtedness, finance charges on leases, and other borrowing costs, less capitalized interest and exchange differences on foreign currency borrowings to the extent regarded as an adjustment to finance cost.

"**Depreciation and amortization expense**" comprises depreciation of property, plant and equipment and right-of-use assets, and amortization of intangible assets.

"**Other expenses**" comprises administrative overheads, rates and taxes, various professional fees, and expenses related to corporate social responsibility.

"**Tax expense**" comprises current tax and deferred tax.

Results of Operations

The following tables set forth our Company's income statement data for each of the years ended March 31, 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021 which have been derived or calculated from the Group Consolidated Financial Statements included elsewhere in this Offering Memorandum. This financial information should be read in conjunction with "*Presentation of Financial Information*" and the Group Consolidated Financial Statements included elsewhere in this Offering Memorandum. Our results of operation for the six months ended September 30, 2021 are not necessarily indicative of our results for the year ending March 31, 2022 and historical results presented in this Offering Memorandum in general do not necessarily indicate results expected for any future period.

Particulars	For the six months ended September 30,			
	2020	2021	% change	2021
	(₹ in millions)			(U.S.$ in millions)[note 1]
INCOME				
Revenue from operations	6,189.5	10,799.1	74.5%	145.4
Other income	454.1	431.1	(5.1%)	5.8
Total income (1)	6,643.6	11,230.2	69.0%	151.2
EXPENSES				
Operating expenses	2,098.9	4,356.5	107.6%	58.7
Employee benefits expense	370.9	636.4	71.6%	8.6
Finance costs	897.2	1,602.1	78.6%	21.6
Depreciation and amortization expense	1,151.9	1,841.8	59.9%	24.8
Impairment of goodwill	–	–	–	–
Other expenses	452.0	666.2	47.4%	9.0
Total expenses (2)	4,970.9	9,103.0	83.1%	122.6
Profit before tax (1-2)	1,672.7	2,127.2	27.2%	28.6
Tax expense				
Current tax	250.1	328.4	31.3%	4.4
Deferred tax	155.4	(318.4)	(304.9%)	(4.3)
Profit for the year/period (3)	1,267.2	2,117.2	67.1%	28.5

	Year ended March 31,			
	2020	2021	% change	2021
	(₹ in millions)			(U.S.$ in millions)[note 1]
INCOME				
Revenue from operations	11,431.5	16,035.7	40.3%	215.9
Other income	942.2	746.9	(20.7%)	10.1
Total income (1)	**12,373.7**	**16,782.6**	**35.6%**	**226.0**
EXPENSES				
Operating expenses	3,454.4	5,746.0	66.3%	77.4
Employee benefits expense	746.7	1,113.5	49.1%	15.0
Finance costs	2,774.6	2,278.6	(17.9%)	30.7
Depreciation and amortization expense	2,018.6	2,706.5	34.1%	36.4
Impairment of goodwill	–	–	N/A	–
Other expenses	1,038.4	1,011.8	(2.6%)	13.6
Total expenses (2)	**10,032.7**	**12,856.4**	**28.1%**	**173.1**
Profit before tax (1-2)	**2,341.0**	**3,926.2**	**67.7%**	**52.9**
Tax expense				
Current tax	308.1	237.6	(22.9%)	3.2
Deferred tax	67.7	842.4	1,144.3%	11.4
Profit for the year/period (3)	**1,965.3**	**2,846.2**	**44.8%**	**38.3**

	Year ended March 31,		
	2019	2020	% change
		(₹ in millions)	
INCOME			
Revenue from operations	10,802.6	11,431.5	5.8%
Other income	1,013.3	942.2	(7.0%)
Total income (1)	**11,815.9**	**12,373.7**	**4.7%**
EXPENSES			
Operating expenses	3,379.6	3,454.4	2.2%
Employee benefits expense	596.2	746.7	25.2%
Finance costs	1,771.4	2,774.6	56.6%
Depreciation and amortization expense	1,705.9	2,018.6	18.3%
Impairment of goodwill	819.1	–	(100.0%)
Other expenses	705.5	1,038.4	47.2%
Total expenses (2)	**8,977.5**	**10,032.7**	**11.8%**
Profit before tax (1-2)	**2,838.4**	**2,341.0**	**(17.5%)**
Tax expense			
Current tax	538.6	308.1	(42.8%)
Deferred tax	(419.8)	67.7	(116.1%)
Profit for the year/period (3)	**2,719.6**	**1,965.3**	**(27.7%)**

Note:

(1) For the reader's convenience, U.S. dollar translations of Rupee amounts for the six months ended September 30, 2021 have been provided at a rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

Results of Operations for the Six Months ended September 30, 2021 compared with the Six Months ended September 30, 2020

Revenue from Operations

Our revenue from operations in the six months ended September 30, 2021 increased by 74.5% to ₹10,799.1 million (U.S.$145.4 million) from ₹6,189.5 million in the six months ended September 30, 2020. The increase was mainly due to increase in cargo by 53.8% to 36.63 MMT from 23.82 MMT in September 31, 2020 and contract rate increase at our Dharamtar Port from ₹125 per metric ton to ₹160 per metric ton contributing increase in revenue of ₹237.9 million.

Other income

Our other income in the six months ended September 30, 2021 decreased by 5.1% to ₹431.1 million (U.S.$5.8 million) from ₹454.1 million in the six months ended September 30, 2020. The decrease was mainly due to notional Export Promotion Capital Goods ("**EPCG**") IND-AS income amortization of ₹19.5 million accounted for in JSW Paradip Terminal Private Limited in Fiscal Year 2021, which is no longer available for amortization.

Operating expenses

Operating expenses increased by 107.6% to ₹4,356.5 million (U.S.$58.7 million) in the six months ended September 30, 2021 from ₹2,098.9 million in the six months ended September 30, 2020. The increase was on account of 30% additional cargo volume, reaching 7.18 MMT, from newly acquired entities which resulted in an increase of operating expenses by 76.9% to ₹1,613.8 million, mainly due to the higher royalty rate payable to the respective port trusts in respect of the newly acquired entities. The remaining increase was on account of the higher cargo volume in the other terminals by 24% to 5.63 MMT in the six months ended September 30, 2020.

Employee Benefits Expense

Employee benefits expense increased by 71.6% to ₹636.4 million (U.S.$8.6 million) in the six months ended September 30, 2021 from ₹370.9 million in the six months ended September 30, 2020. This increase in employee benefits expense was primarily due to the acquisition of Ennore Coal Terminal, Ennore Bulk Terminal, and Mangalore Coal Terminal in November 2020, resulting in direct costs of ₹104.5 million, higher valuation of the ESOP of ₹76.8 million and other increases in headcount and annual salary.

Finance Costs

Finance costs increased by 78.6% to ₹1,602.1 million (U.S.$21.6 million) in the six months ended September 30, 2021 from ₹897.2 million in the six months ended September 30, 2020. The increase was mainly due to an interest expense and amortization of processing fees of approximately ₹328.3 million in respect of the loan obtained for the acquisition of new entities and a foreign exchange impact of ₹295.6 million as compared to the six months ended September 30, 2020.

Depreciation and Amortization Expenses

Depreciation and amortization expenses increased by 59.9% to ₹1,841.8 million (U.S.$24.8 million) in the six months ended September 30, 2021 from ₹1,151.9 million in the six months ended September 30, 2020. The increase was mainly due to the depreciation of assets of the newly acquired entities of ₹636.2 million.

Other Expenses

Other expenses increased by 47.4% to ₹666.2 million (U.S.$9.0 million) in the six months ended September 30, 2021 from ₹452.0 million in the six months ended September 30, 2020. The increase was primarily due to costs incurred in connection with the newly acquired entities of ₹62.2 million, an increase in rates and taxes to ₹38.1 million, costs related to corporate social responsibility amounting to ₹20.9 million and an increase in professional fees to ₹19.8 million.

Tax Expense

Tax expenses decreased to ₹10 million (U.S.$0.1 million) in the six months ended September 30, 2021 as compared to ₹405.5 million in the six months ended September 30, 2020. This decrease was primarily on account of one time deferred tax assets of ₹503.64 million taken in Mangalore Coal Terminal pertaining to a deduction available under Section 35AD of the Income Tax Act.

Profit for the Period

As a result of the foregoing, we recorded profit for the period of ₹2,117.2 million (U.S.$28.5 million) in the six months ended September 30, 2021, representing an increase of 67.1% compared to a profit for the period of ₹1,267.2 million in the six months ended September 30, 2020.

Results of Operations for the Year Ended March 31, 2021 compared with the Year Ended March 31, 2020

Revenue from Operations

Our revenue from operations in the year ended March 31, 2021 increased by 40.3% to ₹16,035.7 million (U.S.$215.9 million) from ₹11,431.5 million in the year ended March 31, 2020. The increase was mainly due to higher throughput by 13%, full year operation of JSW Paradip Terminal Private Limited and the entities newly acquired in the latter part of Fiscal Year 2021.

Other income

Our other income in the year ended March 31, 2021 decreased by 20.7% to ₹746.9 million (U.S.$10.1 million) from ₹942.2 million in the year ended March 31, 2020. The decrease was mainly due to the discontinuation of the service export incentive scheme by the Government.

Operating expenses

Operating expenses increased by 66.3% to ₹5,746.0 million (U.S.$77.4 million) in the year ended March 31, 2021 from ₹3,454.4 million in the year ended March 31, 2020. The increase was on account of increased revenue, cargo, and contribution from the entities newly acquired in Fiscal Year 2021, which have relatively higher operating expenses compared to our existing ports and terminals.

Employee Benefits Expense

Employee benefits expense increased by 49.1% to ₹1,113.5 million (U.S.$15.0 million) in the year ended March 31, 2021 from ₹746.7 million in the year ended March 31, 2020. The increase was primarily due to higher expense on employee stock ownership plan and increase in the number of employees on account of the acquisition of Ennore Coal Terminal, Ennore Bulk Terminal, and Mangalore Coal Terminal.

Finance Costs

Finance costs decreased by 17.9% to ₹2,278.6 million (U.S.$30.7 million) in the year ended March 31, 2021 from ₹2,774.6 million in the year ended March 31, 2020. The decrease was due to exchange differences of ₹1,035.7 million which was off-set by an increase of approximately ₹270 million towards a loan obtained in connection with the acquisition of Ennore Coal Terminal, Ennore Bulk Terminal, and Mangalore Coal Terminal mentioned above.

Depreciation and Amortization Expenses

Depreciation and amortization expenses increased by 34.1% to ₹2,706.5 million (U.S.$36.4 million) in the year ended March 31, 2021 from ₹2,018.6 million in the year ended March 31, 2020. This increase was mainly due to amortization of Ennore Coal Terminal, Ennore Bulk Terminal, and Mangalore Coal Terminal following their acquisition, and full year operation of JSW Paradip Terminal Private Limited.

Other Expenses

Other expenses decreased by 2.6% to ₹1,011.8 million (U.S.$13.6 million) in the year ended March 31, 2021 from ₹1,038.4 million in the year ended March 31, 2020. The decrease was primarily due to lower travel- and administrative-related overhead expenses.

Tax Expense

Tax expenses increased to ₹1,080.0 million (U.S.$14.6 million) in the year ended March 31, 2021 as compared to ₹375.8 million in the year ended March 31, 2020. This increase was primarily on account of increase in profit.

Profit for the Year

As a result of the foregoing, we recorded profit for the year of ₹2,846.2 million (U.S.$38.3 million) in the year ended March 31, 2021, representing an increase of 44.8% compared to a profit for the year of ₹1,965.3 million in the year ended March 31, 2020.

Results of Operations for the Year Ended March 31, 2020 compared with the Year Ended March 31, 2019

Revenue from Operations

Our revenue from operations in the year ended March 31, 2020 increased by 5.8% to ₹11,431.5 million from ₹10,802.6 million in the year ended March 31, 2019. The increase was mainly due to revenue from the Paradip railway siding project we undertook on behalf of Paradip Port Trust.

Other income

Our other income in the year ended March 31, 2020 decreased by 7.0% to ₹942.2 million from ₹1,013.3 million in the year ended March 31, 2019. The decrease was mainly due to lower income from our temporary investment of surplus funds.

Operating expenses

Operating expenses increased by 2.2% to ₹3,454.4 million in the year ended March 31, 2020 from ₹3,379.6 million in the year ended March 31, 2019. The increase was on account of increased revenue and cargo handled at our Major Port terminals, which have relatively higher operating expenses compared to our other ports and terminals. In addition, there was increased revenue and cargo from third-party clients, which also have higher operating expenses due to the additional services required for third-party cargo.

Employee Benefits Expense

Employee benefits expense increased by 25.2% to ₹746.7 million in the year ended March 31, 2020 from ₹596.2 million in the year ended March 31, 2019. The increase was primarily due to increased ESOP expenses, as well as the increase in number of employees and salary increase.

Finance Costs

Finance costs increased by 56.6% to ₹2,774.6 million in the year ended March 31, 2020 from ₹1,771.4 million in the year ended March 31, 2019. The increase was mainly due to the interest on debentures issued in December 2019 and the discontinuation of capitalization of interest cost following the commissioning of Paradip Iron Ore Terminal.

Depreciation and Amortization Expenses

Depreciation and amortization expenses increased by 18.3% to ₹2,018.6 million in the year ended March 31, 2020 from ₹1,705.9 million in the year ended March 31, 2019. This increase was mainly due to depreciation of Paradip Iron Ore Terminal, which commenced operations in the third quarter of Fiscal Year 2020 and amortization of right of use assets.

Impairment of goodwill

We recorded impairment of goodwill of ₹819.1 million in the year ended March 31, 2019 resulting from the accounting of the merger of International Maritime Allied Services Limited with JSW Infrastructure Limited.

Other Expenses

Other expenses increased by 47.2% to ₹1,038.4 million in the year ended March 31, 2020 from ₹705.5 million in the year ended March 31, 2019. The increase was primarily due to expenses in connection with the Paradip railway siding project we undertook on behalf of Paradip Port Trust.

Tax Expense

Tax expenses increased to ₹375.8 million in the year ended March 31, 2020 as compared to ₹118.8 million in the year ended March 31, 2019. This increase was primarily on account of a change in the profit mix of our Subsidiaries, which resulted in higher non-tax holiday profits.

Profit for the Year

As a result of the foregoing, we recorded profit for the year of ₹1,965.3 million in the year ended March 31, 2020, representing a decrease of 27.7% compared to a profit for the year of ₹2,719.6 million in the year ended March 31, 2019.

Liquidity and Capital Resources

Capital Requirements

Our principal capital requirements are for capital expansion, repayment of principal and interest on our borrowings, and strategic acquisitions. Our principal source of funding has been, and is expected to continue to be, cash generated from our operations, supplemented by funding from bank borrowings and the capital markets.

We regularly consider other financing and refinancing opportunities to diversify our debt profile, reduce interest cost and extend the maturity profile of our indebtedness to manage our liquidity.

Cash Flow Data

We seek, in normal circumstances, to maintain substantial cash and cash equivalents balances to provide us with financial liquidity and operational flexibility. Our cash is placed in bank fixed deposits, bank balances, and debt based mutual funds.

The following table sets forth selected items from our consolidated statement of cash flows for the years ended March 31, 2019, 2020 and 2021 and from our condensed consolidated interim statement of cash flow for six months ended September 30, 2021:

	Year ended March 31,				Six months ended September 30,		
	2019	2020	2021		2020	2021	
	(₹ in millions)			(U.S.$ in millions) (note 1)	(₹ in millions)		(U.S.$ in millions) (note 1)
Net cash generated from operating activities (A)	3,280.2	2,587.0	10,108.4	136.1	3,196.0	4,420.4	59.5
Net cash used in investing activities (B)	(4,948.9)	(3,785.3) (note2)	(16,368.0)	(220.4)	(1,799.6)	(2,005.1)	(27.0)
Net cash (used in)/generated from financing activities (C)	1,398.9	2,262.3 (note2)	6,202.1	83.5	(658.4)	(539.1)	(7.2)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(269.8)	1,064.0	(57.5)	(0.8)	738.0	1,876.2	25.3
Cash and cash equivalents at the beginning of the year/period	772.7	503.0	1,571.0	21.2	1,571.0	1,513.5	20.4
Cash and cash equivalents pursuant to business combinations	–	4.0	–	–	–	–	–
Cash and cash equivalents at the end of the year/period	**502.9**	**1,571.0**	**1,513.5**	**20.4**	**2,309.0**	**3,389.7**	**45.7**

Notes:

(1) For the reader's convenience, U.S. dollar translations of Rupee amounts for the six months ended September 30, 2021 have been provided at a rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

(2) Regrouping of payment of lease liabilities from investing activities to financing activities of ₹145.5 million.

Net Cash Flows Generated from Operating Activities

Net cash generated from operating activities was ₹4,420.4 million (U.S.$59.5 million) during the six months ended September 30, 2021 as compared to ₹3,196.0 million during the six months ended September 30, 2020. The net cash generated from operating profit before working capital changes during the six months ended September 30, 2021 was ₹5,382 million (U.S.$72.5 million) against ₹3,472.4 million during the six months ended September 30, 2020. Cash from operations was higher than the previous period, reflecting higher operating profits.

Net cash generated from operating activities was ₹10,108.4 million (U.S.$136.1 million) during the year ended March 31, 2021 as compared to ₹2,587.0 million during the year ended March 31, 2020. The net cash generated from operating profit before working capital changes during the year ended March 31, 2021 was ₹8,730.9 million (U.S.$117.6 million) against ₹6,733.6 million during the year ended March 31, 2020. Cash from operations was higher than the previous period, reflecting higher operating profits and better working capital management.

Net cash generated from operating activities was ₹2,587.0 million during the year ended March 31, 2020 as compared to ₹3,280.2 million during the year ended March 31, 2019. The net cash generated from operating profit before working capital changes during the year ended March 31, 2020 was ₹6,733.6 million against ₹6,467.1 million during the year ended March 31, 2019. Cash from operations was lower than the previous period, reflecting an increase in trade and other receivables.

Net Cash Flows Used in Investing Activities

Net cash used in investing activities was ₹(2,005.1) million (U.S.$(27.0) million) in the six months ended September 30, 2021. This represents expenditure for construction of new project at Mangalore and Paradip and long term retention of surplus funds in fixed deposits.

Net cash used in investing activities was ₹(1,799.6) million in the six months ended September 30, 2020. This represents expenditure for construction of new project at Paradip Port and long term fixed deposits.

Net cash used in investing activities was ₹16,368.0 million (U.S.$220.4 million) in the year ended March 31, 2021. This primarily represents cash outflow on purchase of property, plant and equipment including capital work-in-progress, capital advances and capital creditors and intangible assets of ₹17,226.1 million (U.S.$232.0 million) relating to the acquisition of Ennore Coal Terminal, Ennore Bulk Terminal, and Mangalore Coal Terminal from Chettinad Group, and the expansion of our capacity at existing facilities.

Net cash used in investing activities was ₹3,785.3 million in the year ended March 31, 2020. This primarily represents cash outflow on the purchase of current investments of ₹10,701.8 million (primarily representing Debt Mutual Funds), which was offset by the sale of current investments amounting to ₹12,453.1 million (primarily representing Debt Mutual Funds) and the purchase of property, plant and equipment, including capital work-in-progress, capital advances and capital creditors, and intangible assets of ₹6,592.4 million (primarily representing under construction projects).

Net cash used in investing activities was ₹4,948.9 million in the year ended March 31, 2019. This primarily represents cash outflow on purchase of investments of ₹13,697.3 million (primarily representing Debt Mutual Funds), which was offset by the sale of current investments of ₹11,790.7 million (primarily representing Debt Mutual Funds) and the purchase of property, plant and equipment, including capital work-in-progress, capital advances and capital creditors, and intangible assets of ₹5,518.8 million (primarily representing under construction projects).

Net Cash Flows (used in)/generated from Financing Activities

Net cash used in financing activities in the six months ended September 30, 2021 amounted to ₹(539.2) million (U.S.$(7.2) million), compared to net cash used in financing activities of ₹(658.4) million in the six months ended September 30, 2020. The net cash used in financing activities in the six months ended September 30, 2021 primarily consisted of repayment of borrowings.

Net cash generated from financing activities in the year ended March 31, 2021 amounted to ₹6,202.1 million (U.S.$83.5 million), compared to net cash generated from financing activities of ₹2,262.3 million in the year ended March 31, 2020. The net cash generated from financing activities in the year ended March 31, 2021 primarily consisted of proceeds from non-current borrowings, which was partially offset by repayment of another non-current borrowings and interest payment.

Net cash generated from financing activities in the year ended March 31, 2020 amounted to ₹2,262.3 million, compared to net cash generated from financing activities of ₹1,398.9 million in the year ended March 31, 2019. The net cash generated from financing activities in the year ended March 31, 2020 consisted of proceeds from long-term borrowings, which was partially offset by repayments of short-term borrowings, repayments of long-term borrowings, and interest payments.

The net increase in cash and cash equivalents was ₹1,876.2 million (U.S.$25.3 million) with cash and cash equivalents of ₹3,389.7 million (U.S.$45.7 million) as at September 30, 2021 against cash and cash equivalents of ₹1,513.5 million (U.S.$20.4 million) as at March 31, 2021.

Indebtedness

Our principal sources of external financing include both short-term and long-term facilities (in Rupees). We are required to secure certain of our borrowings, in line with established market practices. As at September 30, 2021, we had total borrowings (which comprises non-current borrowings plus current borrowings) of ₹40,942.6 million (U.S.$551.4 million) (₹40,603.2 million after netting of unamortized processing fee of ₹339.5 million).

Our current borrowings excluding current maturities of long term borrowings as at September 30, 2021 amounted to ₹802.1 million (U.S.$10.8 million). As at September 30, 2021, our non-current borrowings (including current maturities of long term borrowings) represented Rupee term loan and foreign currency term loan (including deferred government loans) of ₹40,140.5 million (U.S.$540.6 million) (₹39,801.1 million after netting of unamortized processing fee of ₹339.5 million).

Some of our financing agreements and debt arrangements contain financial covenants that require the satisfaction and/or maintenance of financial tests and ratios, including requirements to maintain debt to equity ratios, debt coverage ratios, and certain other liquidity ratios. In addition, such agreements and arrangements also require us to obtain prior lender consents for certain specified actions, including issuing new securities, changing our line of business, any merger and acquisition, consolidating, selling significant assets or making certain acquisitions or investments. See "*Risk Factors — Risks Relating to Our Business – We have a substantial amount of outstanding borrowings, which requires significant cash flows to service, and limits our ability to operate freely*" and "*Risk Factors — Risks Relating to Our Business — Some of the existing financing agreements of the Issuer and/or Subsidiary Guarantors require them to comply with certain covenants and obtain lender consents prior to undertaking various actions, including taking further debt; failure to comply with such covenants or to otherwise obtain waivers or fully repay the relevant borrowings, could result in a default under the terms of the relevant financing documents*."

Commitments

Our capital commitment includes an estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) of ₹9,425.8 million, ₹4,747.6 million, ₹3,151.6 million (U.S.$42.4 million) and ₹1,860.7 million (U.S.$25.1 million) for the years ended March 31, 2019, 2020 and 2021 and the six months ended September 30, 2021, respectively.

Our capital commitment also includes EPCG export obligations not provided for of ₹5,477.0 million, ₹4,066.5 million, ₹2,318.8 million (U.S.$31.2 million) and ₹1,199.8 million (U.S.$16.2 million) for the years ended March 31, 2019, 2020 and 2021 and the six months ended September 30, 2021, respectively.

Capital Expenditure

Our capital expenditure towards tangible assets for the years ended March 31, 2019, 2020 and 2021 and the six months ended September 30, 2021 are as follows:

	Year ended March 31,				Six months ended September 30,		
	2019	2020	2021		2020	2021	
	(₹ in millions)			(U.S.$ in millions)[1]	(₹ in millions)		(U.S.$ in millions)[1]
Purchase of property, plant and equipment including capital work-in-progress, capital advance and intangibles assets	5,518.8	6,592.4	17,226.1	232.0	1,614.4	1,709.7	23.0

Note:

(1) For the reader's convenience, U.S. dollar translations of Rupee amounts for the six months ended September 30, 2021 have been provided at a rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

We periodically reassess our capital expenditure plans, and the planned amounts of such expenditures may change materially after such assessment.

Our planned and budgeted capital investments are focused largely on capacity expansion. Our expansion plans, including acquisitions of other businesses and joint ventures, require significant capital expenditure. There are a number of factors that could affect the feasibility of our expansion plans and our ability to timely complete them, including receiving financing on reasonable terms or at all, obtaining required regulatory permits and licenses, the expiration of any agreements with local governments related to such projects, demand for our services and general economic conditions.

Contingent Liabilities

The following table sets forth our consolidated contingent liabilities as at September 30, 2021:

	As at September 30, 2021	
	(₹ in millions)	(U.S.$ in millions)
Guarantee and collateral provided by our Company on behalf of subsidiaries	2,276.43	30.7
Disputed income tax liability	659.0	8.9
Dispute with Mormugao Port Trust regarding Cargo Handling Labor Department	60.8	0.8
Disputed indirect tax and EPCG liability	587.3	7.9
Letter of Credit	625.0	8.4
Total	4,208.53	56.7

Note:

(1) For the reader's convenience, U.S. dollar translations of Rupee amounts for the six months ended September 30, 2021 have been provided at a rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

For a discussion of our material indebtedness, please see "*Description of Material Indebtedness.*"

Off-Balance Sheet Arrangements

As at September 30, 2021, we did not have any material off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market Risk

We are exposed in the ordinary course of our business to risks related to changes in foreign currency exchange rates and interest rates.

Exchange Rate Risk

Our functional currency is Rupees. We undertake transactions denominated in foreign currencies and are exposed to exchange rate fluctuations. Volatility in exchange rates affects our revenue and we are exposed to exchange rate risk under our trade and debt portfolio. However, we have foreign currency-denominated revenue which offsets our foreign currency debt liability risk, providing a natural hedge to our foreign currency exposure.

Interest Rate Risk

We are exposed to the interest rate risk on short-term and long-term floating rate instruments and also on the refinancing of fixed rate debt. Our policy is to maintain a balance of fixed and floating interest rate borrowings.

Our floating rate debt is mostly linked to the U.S. dollar London Interbank Offering Rate and also to the base rates/MCLR of various Indian banks. The costs of floating rate borrowings may be affected by the fluctuations in the interest rates. Our exposure to interest rate movements are reviewed by appropriate levels of management on a regular basis. We do not enter into hedging instruments for speculative purposes. See "*Risk Factors — Risks Relating to Our Business — We may not manage risks associated with the cessation of LIBOR effectively*."

Borrowing and interest rate hedging activities in India are governed by the RBI and we have to comply with its regulations. The policies under which the RBI regulates these borrowing and interest rate hedging activities can change from time to time and can impact the effectiveness with which we manage our interest rate risk. Any increase in interest rates could therefore materially and adversely affect our cash flows, business, results of operations, and financial condition.

Seasonality of Business

Our results of operations do not generally exhibit seasonality.

INDUSTRY OVERVIEW

In this section, we have included data relating to the ports sector within India, and other statistics. This information is based on industry publications, published sources and other publicly available information, as well as beliefs of our management. Data included herein is as of the date of publication of the underlying sources and not as of the date of this Offering Memorandum. We believe that the sources used are reliable; however, we cannot ensure the accuracy or completeness of underlying assumptions of this information, and no representation or warranty, express or implied, is made by the Company as to the accuracy or completeness of the information set forth in this section, and nothing contained in this section shall be relied upon as a promise or representation, whether as to the past or future. This information has not been independently verified by the Company or any of its advisors and should not be unduly relied on. The industry information included in this section may moreover be prepared as of specific dates and may no longer be current or reflect current trends, or based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Investors should not place undue reliance on this industry information. Unless noted otherwise, the information in this section is derived from the "Study on Ports Sector in India" report dated December 2021 prepared by CRISIL Research.

Indian Port Industry Overview

The port sector plays an important role in the overall economic development of the country, with the shipping industry having played a crucial role in the transport sector of India's economy over the years. Ports in India handle 90% by volume and 70% by value of India's external trade. With a long coastline of about 7,517 km, spread on the western and eastern shelves of the mainland and along the Islands, India has numerous ports to serve its international trade. Although India's Northern part is a landlocked region, it is served by the east and west coast, costal states. Out of 28 states of India, only Gujarat, Maharashtra, Goa, Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Odisha and West Bengal have ports.

India's port industry has grown exponentially from five ports handling cargo traffic tonnage of around 20 MMT per year at the time of independence, to the 12 Major Ports which fall under the jurisdiction of the GoI and approximately 205 Non-Major Ports which fall under the state governments' jurisdiction, as of March 2020 (source: CRISIL Industry Report: Study on Ports Sector in India, December 2021). These ports handled 1,269 MMT of cargo in Fiscal Year 2021 (source: CRISIL Industry Report: Study on Ports Sector in India, November 2021). Aware of the critical role of ports and logistic sector in India, the GoI has been continuously focusing on 'ease of doing business' in this sector by allowing 100% FDI and introducing transparent and standardized bidding process for PPP projects. They have also supported developers by providing viability gap funding for PPP projects and tax benefits for infrastructure development in the port sector.

Over time, Indian ports have evolved institutionally and infrastructurally. Today, many ports in India have evolved and are evolving into specialized centers of economic activities and services that are vital to sustain the future economic growth of the country (source: Sagarmala, Ministry of Shipping).

Competitive Advantages

Natural Geographical Advantage

The Indian port sector benefits from the natural geographical advantage that India possesses. With nearly 50% of the international trade and nearly 60% of the global oil trade passing through the Indian ocean, many cargo ships will often sail across Indian territorial waters as they sail between East Asia and America, Europe, and Africa. This bestows Indian ports with a unique geographical advantage and the chance to provide infrastructure and technical support to the vessels, effectively underscoring the significant investment opportunities for the port and logistics sector (source: Gujarat Port Sector report, NBSO Ahmedabad).

Strong Macroeconomic Fundamentals

India was one of the fastest-growing economies in the world with a projected five-year CAGR of 6.7% from 2021 to 2026 and historical five-year CAGR of 3.5% from 2015 to 2020. Over the past four years, India's macroeconomic situation has gradually strengthened: the twin deficits (current account and fiscal) have been narrowing and the growth-inflation mix has improved. Both fiscal and monetary policies are more prudent, focusing on raising the quality and beyond the rate of growth. The upshot is that India's macroeconomic variables are significantly more stable. With its sufficiently large reserves, the economy is resilient to any global disruptions today, compared to during the Taper Tantrum of 2013 (source: CRISIL Industry Report: Study on Ports Sector in India, December 2021).

Despite the impacts of COVID-19 on the global economy, India has managed it well with the Indian government's vaccination drive, focus on infrastructure spends, global economic recovery and rising consumer confidence. As per IMF's forecasts, India (as per World Economic Outlook — October 2021 update) is likely to emerge as one of the fastest growing country among major global economies with GDP growth projected to rebound to 9.5% in 2021, a significant improvement from its 7.3% GDP contraction in 2020. The below chart sets out the projected five-year GDP CAGR over 2021 to 2026 as well as the historical five-year GDP CAGR over 2015 to 2020 for select key economies.

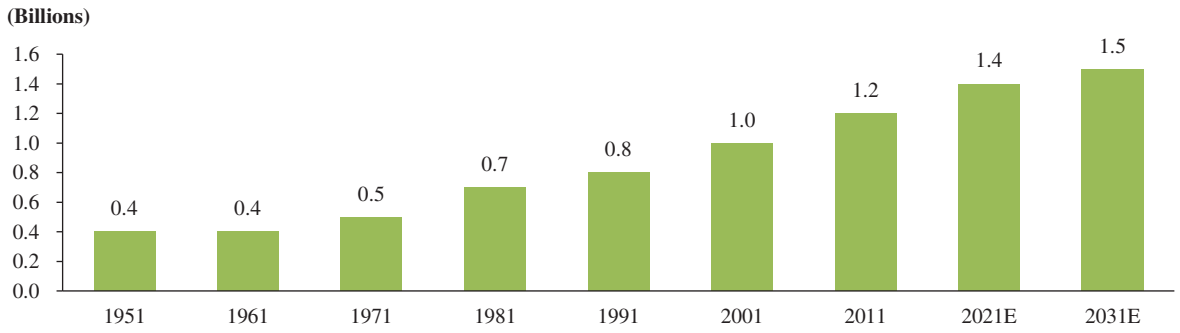
Key Economies	Historical Five-year GDP CAGR (2015 to 2020)	Projected 2021 GDP Growth Rate	Projected Five-year GDP CAGR (2021 to 2026)
India	3.5%	9.5%	6.7%
China	5.8%	8.0%	5.2%
United Kingdom	-0.8%	6.8%	2.3%
United States	1.1%	6.0%	2.5%
Brazil	-0.6%	5.2%	2.0%
South Africa	-0.6%	5.0%	1.5%
Russia	0.8%	4.7%	2.0%
Indonesia	3.6%	3.2%	5.7%
Japan	-0.3%	2.4%	1.3%

Source: IMF (World Economic Outlook — October 2021 update)

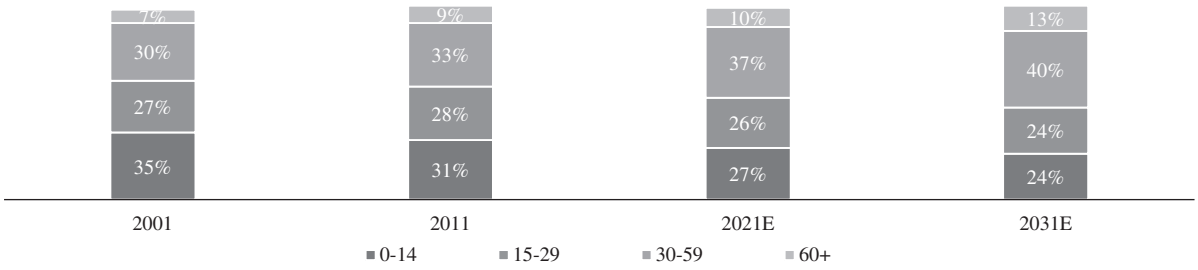
Note: GDP growth is based on constant prices in national currency

India's economic growth has been quite resilient over the years and largely dependent on its own domestic consumption. India is the second most populated country in the world with a large portion of its population forming part of the working age group. As per Census 2011, India's population was approximately 1.2 billion, and comprised approximately 246 million households. The population, which grew approximately 18% over 2001 and 2011, is expected to increase approximately 11% over 2011 and 2021 to 1.4 billion. Furthermore, it is expected to reach 1.5 billion by 2031. As of 2020, India had one of the largest young populations in the world, with a median age of 28 years. About 90% of Indians would still be below the age of 60 years by end-2020, of which, it is estimated that 63% of them would be between 15 and 59 years. In comparison, the U.S., China and Brazil had 74%, 62% and 78%, respectively, of their population below the age of 60 (source: CRISIL Industry Report: Study on Ports Sector in India, December 2021).

Population Growth Trajectory of India



Demographic Dividend of India



Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Note: E — Estimated

Despite per capita income growth being 3.1% in Fiscal Year 2020, a decline from 5.8% in the preceding Fiscal Year, it is estimated to improve with GDP growth and sustained low inflation. This will be an enabler for domestic consumption. As per IMF's estimates, India's per capita income (at constant prices) is expected to log a CAGR of 6.7% between Fiscal Year 2020 and 2025 as seen in the table below.

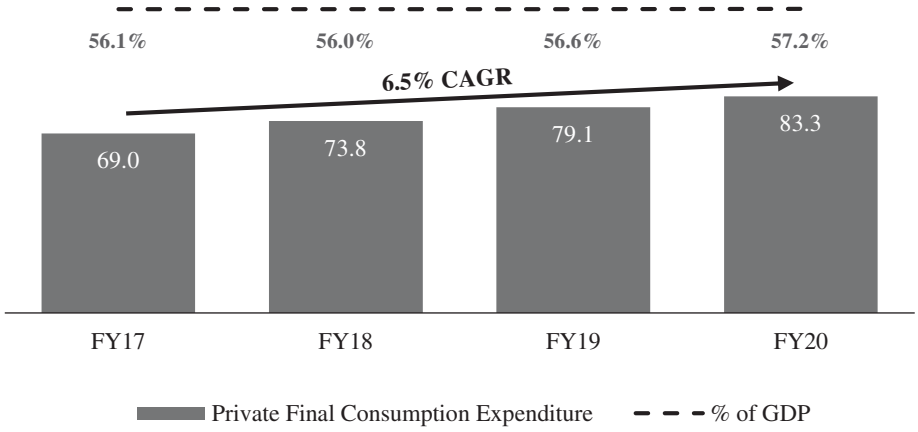
Per capita income	Level in FY20 (INR-'000)*		Growth at constant prices (%)				
	Current prices	Constant price	FY17	FY18	FY19	FY20*	FY25E
	152	109	6.8	5.7	5.8	3.1	6.7*

Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Note: (*) — five-year CAGR growth (FY20-FY25), as per IMF estimates of October 2020, (^) — provisional estimates by MoSPI, May 2020, E — Estimated

Strong domestic consumption has consistently been a major contributor to India's GDP. According to the Ministry of Statistics and Program Implementation, Private Final Consumption Expenditure ("**PFCE**"), which is defined as the expenditure incurred on final consumption of goods and services by the resident households and non-profit institutions serving households, has grown at a CAGR of 6.5% from Fiscal Year 2017 to Fiscal Year 2020, in-line with India's overall GDP growth. India's PFCE has been consistently over 56% of its total GDP during the same period highlighting its strong domestic consumption story.

Private Final Consumption Expenditure in Rs Trillion and as % of GDP



Source: Ministry of Statistics and Program Implementation — National Accounts Statistics 2020

Growing Demand for Energy

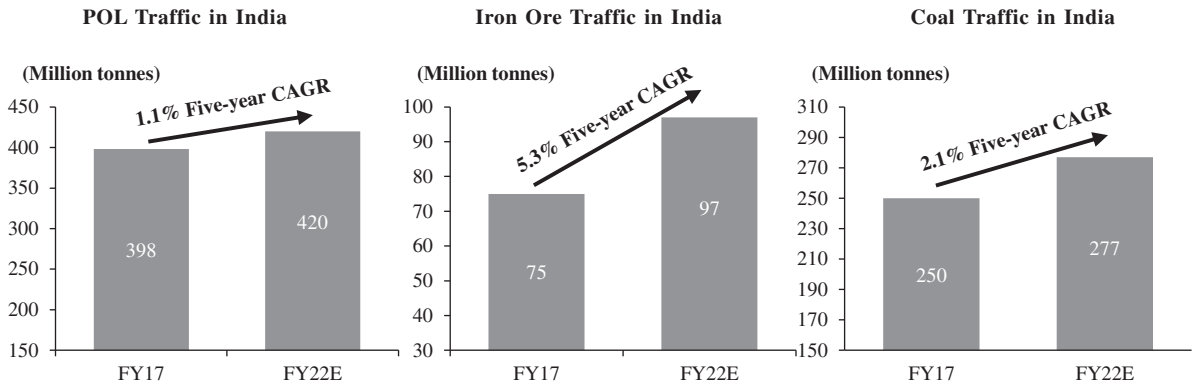
On the back of India's strong economic growth and domestic consumption, energy demand has also been rising. The Government of India has set a target of making India a U.S.$5 trillion economy by 2025 which will continue to drive the demand for energy. According to International Energy Agency, based on current policies, India's energy demand could double by 2040, with electricity demand potentially tripling, as a result of increased appliance ownership and cooling needs.

As a result of India's growing demand for energy, the demand for coal, petroleum, oil and lubricant ("**POL**") and iron ore is expected to increase. The Indian ports industry will play an important role in securing India's energy sources as coal, POL, and iron ore are sourced from imports and coastal shipments from domestic producers.

POL traffic is projected to register a 1.1% five-year CAGR from Fiscal Years 2017 to 2022 as it steadily rises over the years with increasing energy demand. Following the lower crude oil imports and muted consumption of petroleum products on account of the pandemic in FY21, recovery is expected in FY22 as consumption returns to normalcy in reviving Indian economy. Coastal traffic growth is also expected to recover with the rise in consumption, adding onto the expected growth in demand for POL and hence, POL traffic.

Iron ore traffic is projected to register a 5.3% five-year CAGR from Fiscal Years 2017 to 2022. Global supply disruption amid lockdowns and pandemic and demand for low grade iron ore amid China's rising steel production led to the growth in export demand for iron ore in FY21. In FY22, coastal traffic is expected to rise following mining auctions and the rise in coastal capacity of Steel players. Iron ore domestic demand will be fulfilled via coastal traffic from the Major Ports on the East coast (iron ore mines) to Non-Major Ports on the West coast (coastal steel plants), adding onto the expected growth in demand for iron ore and hence, iron ore traffic.

Coal traffic is projected to register a 2.1% five-year CAGR from Fiscal Years 2017 to 2022. Power and coal demand are expected to recover and rise in FY22 but at a magnitude higher than domestic coal production, thus leading to higher coal imports traffic in FY22. Expected recovery in steel demand will also contribute to driving up coking coal imports as well, adding onto the expected growth in demand for coal and hence, coal traffic.



Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Note: E — Estimated

Types of Ports — Major and Non-Major

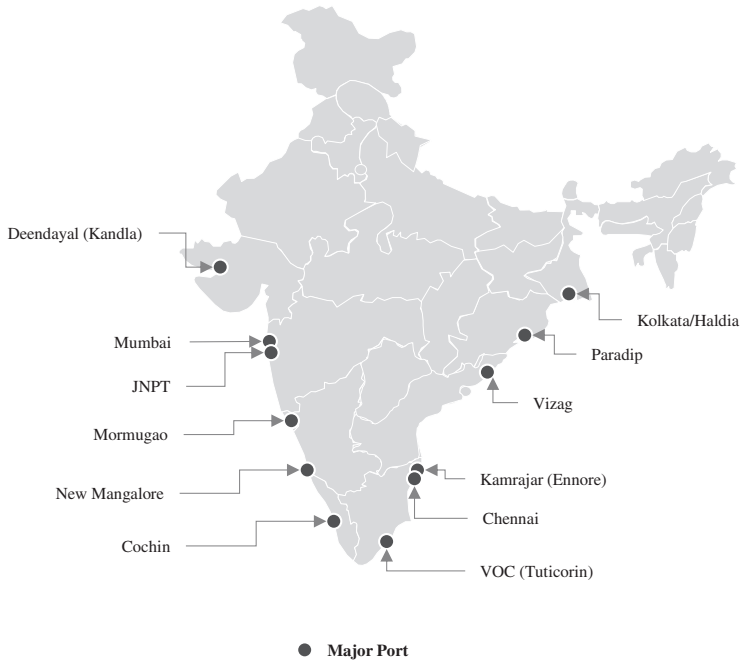
The Indian port sector is divided into two segments: Major Ports and Non-Major Ports. As of March 2020, the Indian coastline is dotted with 12 Major and nearly 205 Non-Major Ports. Major Ports are administered directly by the GoI, whereas Non-Major Ports fall under the jurisdiction of state governments (source: CRISIL Industry Report: Study on Ports Sector in India, December 2021).

Major Ports

A Major Port is defined under Indian Ports Act, 1908 as, any port that is notified by the GoI in the official gazette or as declared by any other law in force for the time being. There are 12 Major Ports in India, six along the east coast and six along the west coast. All Major Ports, except Ennore, are established as trusts and governed under the Major Port trusts Act, 1963. The board of trustees are entrusted with the responsibility of administration, management, and control of the Major Ports under the Major Port Trust Act, 1963. Ennore (Kamarajar) port is incorporated as a company and does not have to comply with the provisions of the Major Port Trust Act, 1963.

The following map shows the location of Major Ports in India:

Location of Major Ports



Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

The top five Major Ports with the largest capacity and traffic are Kandla, Paradip, Chennai, Vizag and New Mangalore. The below table sets out the key metrics of all 12 Major Ports in FY21.

Major Ports Metrics

Port	State	Year of incorporation	Type	FY21 Capacity (Million tonnes)	FY21 Traffic (Million tonnes)	FY21 Utilization (%)
East Coast						
Kolkata/Haldia	West Bengal	1970	All weather – Riverine port	81	61	75
Paradip	Orissa	1966	All weather – Artificial lagoon port	260	115	44
Vizag	Andhra Pradesh	1933	All weather – Natural Harbor	127	70	55
Chennai	Tamil Nadu	1875	All weather – Artificial harbor with wet docks	135	26	19
Tuticorin	Tamil Nadu	1974	All weather – Artificial deep sea harbor	111	32	29
Kamrajar	Tamil Nadu	2001	All weather – Artificial harbor	91	44	48
West Coast						
Cochin	Kerala	1936	All weather – Natural Harbor	74	32	43
New Mangalore	Karnataka	1974	All weather – Artificial lagoon port	113	37	33
Mormugao	Goa	1963	All weather – Open protected harbor	63	22	35
Mumbai	Maharashtra	1873	All weather – Natural Harbor	83	65	78
JNPT	Maharashtra	1989	All weather – Tidal port	105	53	50
Kandla	Gujarat	1952	All weather – Natural Harbor	261	118	45
Total				**1,468**	**673**	–

Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Non-Major Ports

Non-Major Ports are all ports that are not classified as Major Ports under the Indian Ports Act, 1963. Non-Major Ports include both minor and intermediate ports. These ports come under the purview of the respective state governments and regulated by state departments, or the state maritime boards. Among Non-Major Ports, the top five states with the largest capacity and traffic are Gujarat, Andhra Pradesh, Odisha, Maharashtra and Tamil Nadu. The below table sets out the key metrics of all Indian maritime states with Non-Major Ports in FY21.

Maritime States with Non-Major Ports Metrics

Maritime States	FY21 Capacity (Million tonnes)	FY21 Traffic (Million tonnes)	FY21 Utilization (%)
Gujarat	545	388	71
Maharashtra	125	40	32
Goa	9	0.04	0.4
Tamil Nadu	25	7.4	30
Kerala	1	0.1	11
Karnataka	18	0.8	16
Andhra Pradesh	188	90	48
Odisha	70	43	61
Puducherry	17	7.3	43
Andaman & Nicobar Islands	4	1.4	35
Total	**1,002**	**577**	**58**

Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Government Focus on Port Sector Development

Sagarmala Initiative

The Sagarmala Project, launched in March 2015, is the flagship program of the GoI to promote port-led development in India and to provide infrastructure to transport goods to and from ports quickly, efficiently and cost-effectively.

The concept of Sagarmala was approved by the Union Cabinet on March 25, 2015. As part of the program, a National Perspective Plan (NPP) for the comprehensive development of India's approximately 7,500 km coastline, 14,500 km of potentially navigable waterways and maritime sector was prepared for the Maritime India Summit 2016.

The Sagarmala Project aims to reduce logistics costs for exports and imports as well as domestic trade with minimal infrastructure investment. The Sagarmala initiative will achieve this by focusing on four main strategies:

- Reducing the cost of transporting domestic cargo through optimizing modal mix
- Lowering logistic cost of bulk commodities by location future industrial capacities near the coast
- Optimizing time/cost of EXIM container movement
- Improving export competitiveness by developing port proximate discrete manufacturing clusters

The key components of the Sagarmala program are as follows:

Port Modernization & New Port Development	Port Connectivity Enhancement	Port-linked Industrialization	Coastal Community Development	Costal Shipping & Inland Waterways Transport
De-bottlenecking and capacity expansion of existing ports and development of new greenfield ports	Enhancing the connectivity of the ports to the hinterland, optimizing cost and time of cargo movement through multi-modal logistics solutions including domestic waterways (inland water transport and coastal shipping)	Developing port-proximate industrial clusters and Coastal Economic Zones to reduce logistics cost and time of EXIM and domestic cargo	Promoting sustainable development of coastal communities through skill development & livelihood generation activities, fisheries development, coastal tourism etc.	Impetus to move cargo through the sustainable and environment-friendly coastal and inland waterways mode

Source: Sagarmala, Ministry of Shipping of GoI

Under Sagarmala, the GoI has targeted an investment of ₹7.78 trillion over Fiscal Years 2015-35. Of these, 18% of the investments are towards ports modernization while the remaining are towards port-linked industrialization, port connectivity and coastal community development.

Since its initiation in Fiscal Year 2015, of 206 port modernization projects worth ₹786.0 billion, 39% have been completed while another 29% are currently under implementation.

As part of the Sagarmala Programme, more than 574 projects have been identified for implementation from 2015 to 2035. The below denotes the status of investments under the Sagarmala Initiative as a percentage of total investments.

	Number of Projects	Investment	Completion Status	Implementation Status
Port Modernization	206	₹ 786.0 billion	39%	29%
Connectivity Enhancement	201	₹1.28 trillion	19%	44%
Port Led Industrialization	34	₹1.42 trillion	24%	68%
Coastal Community Development	59	₹53.0 billion	27%	34%

Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Dedicated Freight Corridor

The Ministry of Railways of the GoI is implementing a Dedicated Freight Corridor ("**DFC**") project under which it proposes to undertake planning and development, mobilization of financial resources and construction, maintenance, and operation of the DFCs.

The key mission of the Dedicated Freight Corridor Corporation of India Ltd ("**DFCCIL**") includes:

- building a corridor with appropriate technology that enables Indian railways to regain their market share of freight transport by creating additional capacity and guaranteeing efficient, reliable, safe and cheaper options for mobility to their customers;
- setting up multimodal logistic parks along the DFC to provide complete transport solution to customers; and
- supporting the GoI's initiatives toward ecological sustainability by encouraging users to adopt railways as the most environmentally friendly mode for their transport requirements.

The project involves the construction of six freight corridors traversing the entire country. The purpose of the project is to provide a safe and efficient freight transportation system. This is expected to reduce congestion at various terminals and junctions while allowing for efficient and fast movement of freight along the corridor.

The project currently consists of two corridors, the Eastern Corridor and the Western Corridor. The two routes cover a total length of 3,360 kilometers with the Eastern DFC stretching from Ludhiana in Punjab to Dankuni in West Bengal and the Western DFC from Jawaharlal Nehru Port in Mumbai to Dadri in Uttar Pradesh. The two corridors are expected to be completed by December 2021 (source: Ministry of Railways).

On the back of the expected rise of demand for rail from the DFCs, the Special Freight Train Operator Scheme was launched in the year 2010 and substituted in 2018. According to the Ministry of Railways, the policy was launched with the view to increase rail share in transportation of non-conventional traffic like molasses, fly ash, edible oil, caustic soda, chemical, petrochemicals, alumina & bulk cement. The policy provides an opportunity to logistic service providers or manufacturers to invest in wagons and use advantages of rail transport to tie up with end users and market the train services owned by them for rail transport.

Major Port Authorities Bill, 2020

In March 2020, the Ministry of Shipping introduced the Major Port Authorities Bill 2020 in the Lok Sabha. In February 2021, the Parliament also granted its approval, following which it received the President's assent on 17th February 2021 after which it became the Major Port Authorities Act 2021. It has repealed the Major Port Trusts Act, 1963. The Act seeks to provide for regulation, operation and planning of Major Ports in India and to vest the administration, control and management of such ports upon the Boards of Major Port Authorities. The following denote the changes being incorporated into the bill:

- The Bill is more compact in comparison to the Major Port Trusts Act, 1963 as the number of sections has been reduced to 76 from 134 by eliminating overlapping and obsolete Sections.

- The new Bill has proposed a simplified composition of the Board of Port Authority which will comprise of 11 to 13 Members from the present 17 to 19 Members representing various interests.

- The role of Tariff Authority for Major Ports ("**TAMP**") has been redefined. Port Authority has now been given powers to fix tariffs which will act as a reference tariff for purposes of bidding for PPP projects. PPP operators will be free to fix tariffs based on market conditions. The Board of Port Authority has been delegated the power to fix the scale of rates for other port services and assets including land.

- An Adjudicatory Board has been proposed to be created to carry out the residual function of the erstwhile TAMP for Major Ports, to look into disputes between ports and PPP concessionaires, to review stressed PPP projects and suggest measures to review stressed PPP projects and suggest measures to revive such projects and to look into complaints regarding services rendered by the ports/private operators operating within the ports would be constituted.

- The Boards of Port Authority have been delegated full powers to enter into contracts, planning and development, fixing of tariff except in national interest, security and emergency arising out of inaction and default. In the present MPT Act, 1963 prior approval of the GoI was required in 22 instances.

- The Board of each Major Port shall be entitled to create specific master plan in respect of any development or infrastructure established or proposed to be established within the port limits and the land.

- Provisions of CSR and development of infrastructure by Port Authority have been introduced.

- Provision has been made for safeguarding the pay & allowances and service conditions including pensionary benefits of the employees of Major Ports and Tariff of Major Ports.

Coastal shipping — Relaxation in Cabotage Law

The first Indian shipping law was enacted in 1923, with provisions similar to the UK Merchant Shipping Act, 1894. However, post India's independence, the Merchant Shipping Act, 1958, was passed, taking into account the changed scenario of the Indian shipping industry.

The Act was enacted to foster development and ensure the efficient maintenance of an Indian mercantile marine in a manner best suited to serve the national interest and to establish a National Shipping Board to achieve the aforementioned objective. The Act also provides for the registration of Indian Ships and generally to amend and consolidate the law relating to Merchant Shipping.

In May 2018, the cabotage rule under section 407 of the of the Merchant Shipping Act 1958 relaxed the licensing requirements of foreign flag ships for (i) transportation of EXIM laden containers for transshipment purposes in India, or (ii) transportation of empty containers (source: Ministry of Commerce & Industry). This is aimed at increasing the share of Indian container cargo transshipped at foreign ports.

Furthermore, the cabotage rule under section 406 of the of the Merchant Shipping Act 1958 relaxed the licensing requirement for ships chartered by Indian entities to allow coastal movement of agricultural, horticultural, fisheries, animal produce commodities and fertilizers. The purpose of these relaxations is to enable farmers to access a larger market profitably and promote trade and ease of doing business in India (source: Sagarmala, Ministry of Shipping).

Ease of doing business (Rankings, Direct Port Delivery, Direct Port Entry)

Direct Port Delivery ("**DPD**") and Direct Port Entry ("**DPE**") have been introduced to make import and export more efficient and cost effective. Along with this, some changes have made in custom law to facilitate trade in more efficient way. India improved its ranking under the Trading across Border ("**TAB**") parameter of Ease of Doing business ("**EoDB**") from 80 to 68. This impressive record has been facilitated due to various measures taken by Major Ports in India for e.g. DPD, DPE, introduction of radio-frequency identification ("**RFID**"), installation of scanners/container scanners, simplification of procedures etc. (source: Ministry of Shipping).

Model Concession Agreement for PPP Projects

According to the Ministry of Shipping of the GoI, a Model Concession Agreement ("**MCA**") has been finalised to bring transparency and uniformity to contractual agreements that Major Ports would enter into with selected bidders for projects under the Build, Operate and Transfer ("**BOT**") model. In March 2018, a revised MCA was approved by GoI to make Major Ports in the country more investor friendly and make the investment climate in the Port Sector more attractive Some of the salient features of the revised MCA provide for relaxed exit, expansion, lower charges for land use based on each container, cheaper dispute resolution mechanism and online complaint portal for users.

Other GoI Initiatives

The Ministry of Shipping of the GoI published the Maritime Agenda 2010-2020, which identifies key areas of attention for the GoI. The Maritime Agenda 2010-2020 focuses on implementing an agenda, with specific and general aims, buttressed by a philosophy of increasing private sector participation.

The agenda includes a number of specific aims, including the development of two new Major Ports on each of the west and east coasts of India, developing two "hub" ports, on each of the west and east coasts of India, full mechanization of cargo handling and movement, ensuring that all Major Ports and "hub" ports have drafts of no less than 14 meters and 17 meters, respectively, and identifying and implementing projects for rail, road and inland waterway connectivity to ports. The agenda also includes broader policy measures, including the development and implementation of new policies for land for Major Ports, captive berths, dredging, shifting transshipment of Indian containers from foreign ports to Indian ports, fostering cooperation and competition among Indian ports and the creation of a sovereign entity, now named Indian Ports Limited, to invest in port infrastructure internationally.

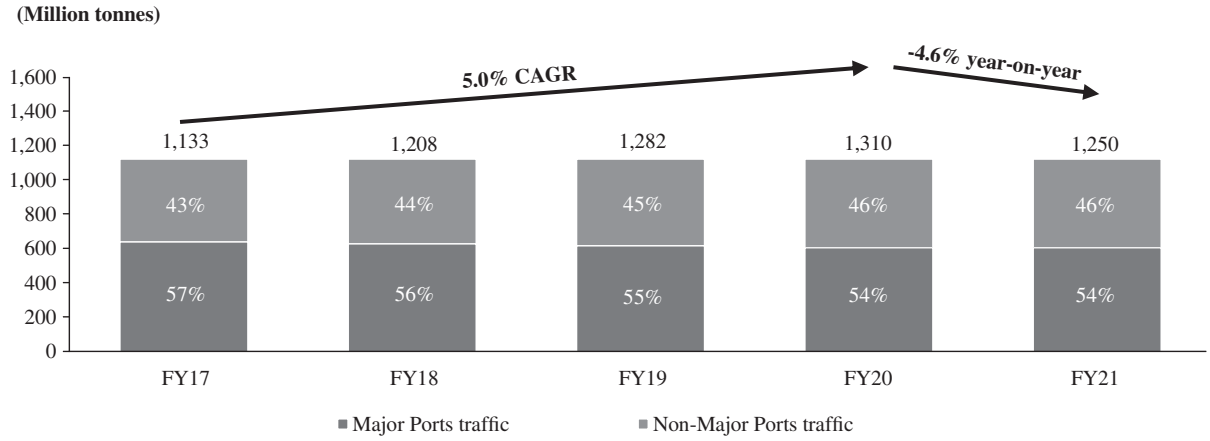
Traffic at Indian Ports

Overall Cargo Traffic

Overall, cargo traffic volumes registered a CAGR of 5.0% over Fiscal Year 2017 to Fiscal Year 2020. Port traffic is expected to decline by 4.6% year-on-year in Fiscal Year 2021, due to lockdowns on account of the spread of COVID-19 in India and globally, as well as India's subsequent economic slowdown. In Fiscal Year 2021, the traffic growth slowed across all key commodities, such as coal, container, and POL, while iron ore bucked the trend with rising exports.

The share of Major Ports has progressively reduced as Non-Major Ports are able to provide better efficiencies and lower turnaround time with competitive rates. Progressively, Non-Major Ports are gaining market share in India and a substantial portion of traffic has shifted from Major Ports to Non-Major Ports. The contribution of Non-Major Ports' traffic to total traffic rose over 46% in Fiscal Year 2020 and 2021 as seen below.

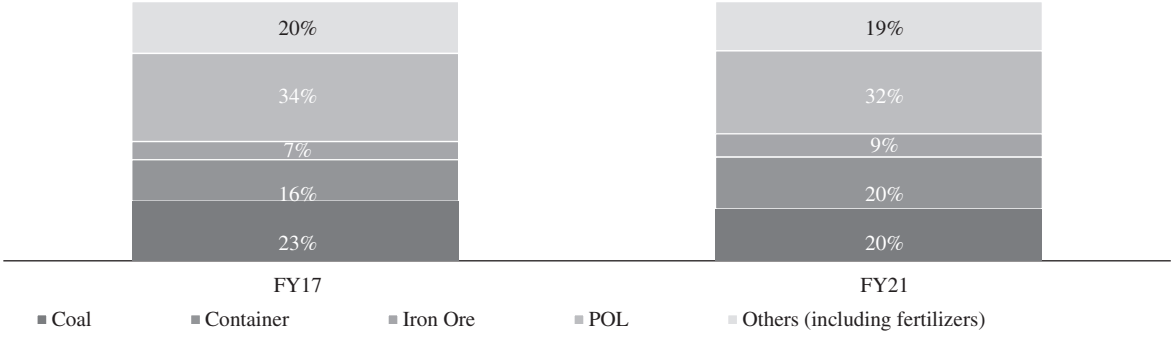
Overall Traffic at Indian Ports



Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

The commodity composition of total traffic at Indian ports have shown marginal changes over the years with POL and its products continuing to be the single largest commodity handled by the ports (32%) in Fiscal Year 2021 despite falling slightly from 34% in Fiscal Year 2017. The contribution from coal has fallen slightly from 23% in Fiscal Year 2017 to 20% in Fiscal Year 2021, with the contribution largely being replaced by an increased contribution from containers, iron ore and other cargo.

Traffic Mix at Indian Ports



Source: Ministry of Shipping, GoI

Cargo Traffic at Major Ports

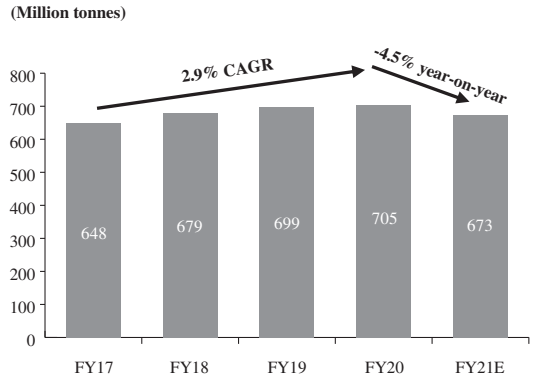
In Fiscal Year 2021, cargo traffic at Major Ports in India is estimated to see a decline of 4.5% year-on-year, even lower than the muted growth of Fiscal Year 2020 of 0.9%. This is attributable to India's flagging merchandise trade amid COVID-19 spread in India and its trade partners, as well as the subsequent economic slowdown and tensions in global trade. Traffic handled at the Major Ports has increased year-on-year since Fiscal Year 2017, with the exception of Fiscal Year 2021. Cargo traffic volumes handled by Major Ports registered a CAGR of 2.9% over Fiscal Year 2017 to Fiscal Year 2020, driven by strong growth in containers and iron ore.

Cargo segment wise, in Fiscal Year 2021, coal traffic at Major Ports was under pressure due to lower thermal coal imports from subdued power demand and import substitution due to ample stock with Coal India. The fall in Fiscal Year 2021 is expected to be cushioned by the increase in coastal traffic at Major Ports on the east coast. Additionally, container traffic at Major Ports is expected to decline by 2% in Fiscal Year 2021 due to pandemic related headwinds. In Fiscal Year 2021, Major Ports' POL traffic growth is estimated to see a decline of 13% as compared with Fiscal Year 2020 levels of 2-3% growth. This is largely attributable to the slowdown in crude oil imports which was down by 19%, coupled with lower products consumption due to lockdowns.

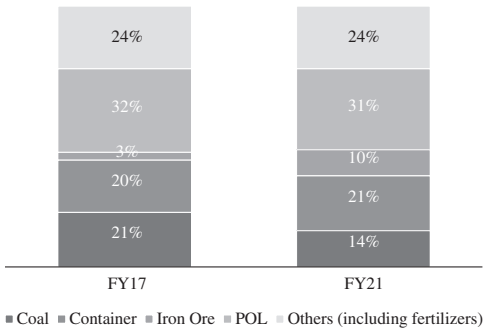
While coal, container and POL traffic volumes declined, Iron ore traffic is expected to cushion the overall decline in Major Ports traffic with a 29% year-on-year growth from Fiscal Year 2020 to Fiscal 2021. This is led by a surge in exports due to global supply shortages in Fiscal Year 2021.

In the last four years, the commodity composition of traffic at Major Ports have shown marginal changes with POL and its products continuing to be the single largest commodity handled by the ports (31%) in Fiscal Year 2021 despite falling slightly from 32% in Fiscal Year 2017. The contribution from coal has fallen significantly from 21% in Fiscal Year 2017 to 14% in Fiscal Year 2021, with the contribution largely being replaced by an increased contribution from containers and iron ore.

Cargo Traffic at Major Ports in India



Traffic Mix at Major Ports in India



Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Cargo Traffic at Non-Major Ports

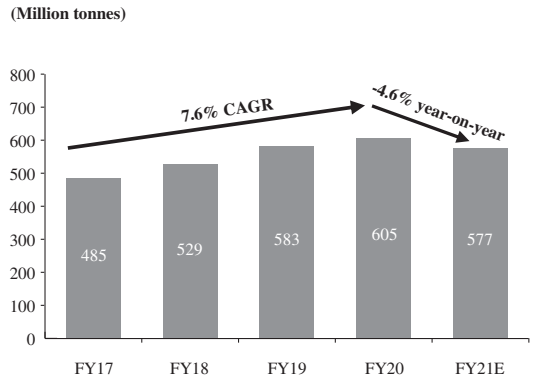
Traffic at Non-Major Ports saw a decline of 4.6% year-on-year in Fiscal Year 2021, due to the impact of COVID-19. Traffic handled at the Major Ports has increased year-on-year since Fiscal Year 2017, with the exception of Fiscal Year 2021. Cargo traffic volumes handled by Major Ports registered a CAGR of 7.6% over Fiscal Year 2017 to Fiscal Year 2020, driven by strong growth in containers and other cargo.

Cargo segment wise, Non-Major Ports are estimated to witness a 16% decline in Fiscal Year 2021, owing to the slowdown imports as approximately 90% of the coal traffic at Non-Major Ports is import-driven. Furthermore, in Fiscal Year 2021, the POL traffic growth at Non-Major Ports is estimated to have declined by 9% year-on-year, as India's fuel demand remained lackluster. POL traffic at Non-Major Ports grew by only 1-2% growth expected in Fiscal Year 2020, as most refineries were shutdown to move to BS VI norms.

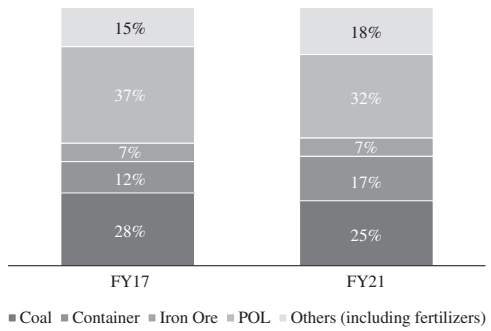
The decline in Fiscal Year 2021 traffic at Non-Major Ports is expected to be cushioned by growth in container and iron ore traffic volumes. Despite the pandemic, Non-Major Ports witnessed a 3.5% rise in container traffic in Fiscal Year 2021. After declining in the lockdown months, pent up demand with the phased opening coupled with the festive season led to a sequential increase. Furthermore, in Fiscal Year 2021, iron ore traffic at Non-Major Ports is expected to increase by 6.7%, led by increase in coastal traffic at Dharamtar and Magdalla ports.

In the last four fiscal years, the Non-Major Port commodity basket has become more diversified, with a major shift observed from POL to other commodities. Container cargo as well as other cargo have become key growth commodities. Key trends in commodity basket diversification at Non-Major Indian Ports are shown below.

Cargo Traffic at Non-Major Ports in India



Traffic Mix at Non-Major Ports in India



Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021, Ministry of Shipping, GoI

Note: Out of 205, about 69 ports are key cargo handling port

Operational Performance of Indian Ports

Turnaround Time

In recent years, the port infrastructure within India has grown significantly due to the influx of additional investments. Capacity additions through established private port operators such as CMA CGM (Mundra), PSA (J.N.P.T) and Terminal Investment Limited (Mundra) have paved the way for bigger ports with more efficient services. Average turnaround time ("**TAT**") at Major Ports improved marginally to 2.2 days in Fiscal Year 2021 from 2.7 days in Fiscal Years 2017 to 2018. An improvement in turnaround time can be attributed to lower pre-berthing times. The decline in capacity utilization has eased congestion at the Major Ports, thereby resulting in an improvement in pre-berthing time. Average turnaround time is influenced by factors such as type of cargo, parcel size and entrance channel.

Average Turnaround Time at Major Ports in India

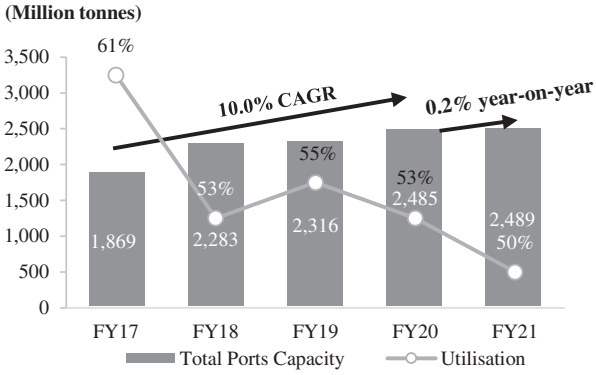
Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Capacity and Utilization

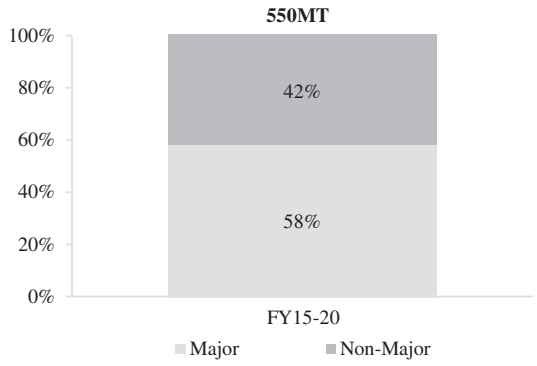
Over the years, total port capacity utilization has declined substantially from 61% in Fiscal Year 2017 to 50% in Fiscal Year 2021, largely the result of more inter-port competition between Indian ports. The pressure on capacity utilization in Fiscal Year 2021 is attributed to slower traffic growth due to the impact of COVID-19. Hence, the decline is expected from the utilization levels at 57% in Fiscal Year 2020.

Through various GoI initiatives, the cargo handling capacity of Ports in India has steadily increased from Fiscal Year 2017 to Fiscal Year 2020 at 10.0% CAGR, to cater to the growing volume of internal and external trade. Total port capacity is also expected to increase by 0.2% year-on-year from Fiscal Year 2020 to 2021. Capacity additions were largely to Major Ports at 58% of additions over the last few years as seen below.

Total Port Capacity and Utilization in India



Historical Port Capacity Additions in India



Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Note: The Ministry of Shipping revised the berthing policy in Fiscal Year 2018. Accordingly, capacities of all Major Ports have been re-rated

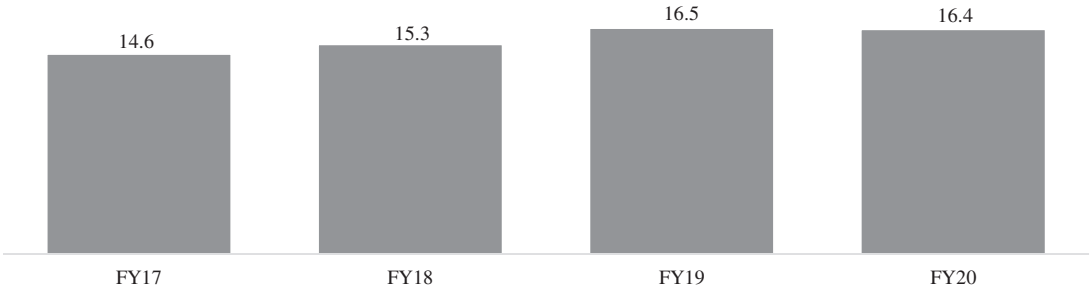
Average Output Per Ship Berth-Day

Average output per ship berth-day, a ratio of total cargo handled by port from the vessels sailed to total stay at working berth, is an important indicator of a port's operational efficiency. An increase in output per ship berth day indicates an improvement in a port's operational performance.

Average output per ship berth day at Major Ports increased to 16,541 tonnes in Fiscal Years 2019 which was almost maintained in 2020 as well. An increase in output per ship berth day at Major Ports can be attributed to an improvement in port infrastructure because of the mechanization of handling facilities and higher port labor productivity.

In Fiscal Year 2019, JNPT Port had the highest average output per ship berth day at 26,498 tonnes, among all Major Ports on account of mechanized handling facilities. On the other hand, Kolkata had the lowest average output per ship berth day at 4,408 tonnes, due to use of conventional methods to load and unload cargo.

Average Output Per Ship Berthday of Major Ports ('000 Tonnes)



Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Key Industry Growth Drivers

Improved Logistics and Infrastructure

A port's success is increasingly dependent upon the quality of infrastructure in and around the port, including road and rail connections, and on how well a port can handle the logistics of moving cargo from the port onto shore.

Last mile connectivity to the ports is one of the major constraints in smooth movement of cargo to/from the hinterland. According to Ministry of Shipping of the GoI, around 87% of Indian freight uses either road or rail for transportation of goods. A significant share of this cargo experiences "idle time" during its transit to the ports due to capacity constraints on highways and railway lines connecting ports to production and consumption centers. According to Sagarmala (Ministry of Shipping), the main challenges to port connectivity in India are underleveraging of domestic waterways, severely constrained rail infrastructure along key routes, sub-optimal modal mix for container freight, poor connectivity to west coast ports through the Western Ghats, lack of coordinated end to end planning for bulk logistics and constrained last-mile connectivity between ports and key industrial hinterlands.

In 2019, the GoI unveiled an ambitious plan to increase India's GDP to U.S.$5 trillion by 2025. However, the pandemic has pushed the target to Fiscal Year 2030. To achieve this goal, the GoI has been emphasizing on infrastructure spending, ramping up of capacities in manufacturing and agriculture. Even in the Union Budget for Fiscal Year 2022, the GoI provided a big push to infrastructure. The government increased the budgetary spending on infrastructure from ₹4.12 trillion in Fiscal Year 2021 to ₹5.54 trillion in the Fiscal Year 2022 budget.

Furthermore, the GoI has initiated various projects/policies such as Bharatmala Pariyojana, Sagarmala, Dedicated Freight Corridor etc. Specifically, the construction of six freight corridors along the DFC will increase port connectivity through an efficient freight transportation system aimed at reducing congestion at various terminals and junctions in India. Such initiatives are expected to accelerate infrastructure development in India and in turn support EXIM trade, beneficial to the growth of the port sector.

Overall, the development of intermodal routes has increased inter-port competition for ship calls and cargo. It has also reduced the relative importance of any one port in the logistics chain. As private transport companies integrate their services across modes and as shipping lines become more concerned with the landside delivery of cargo, a port's customer base has expanded from individual shippers and consignees to include forwarders and transport companies. The modal options available at ports have become a major selling proposition in attracting business.

External Trade

Ports in India handle 90% by volume and 70% by value of India's external trade.

From Fiscal Years 2017 to 2019, overall merchandise exports from India clocked a healthy 10% CAGR to touch U.S.$330 billion. Imports, on the other hand, clocked a faster 16% CAGR, backed by a 27% rise in oil imports, with India's trade deficit widening to U.S.$184 billion in Fiscal Year 2019. On the high base of Fiscal Year 2019, merchandise exports as well as imports dropped 5% and 8%, respectively, in Fiscal Year 2020, amidst weak global demand as well as the slowdown in India's economic growth. Oil imports dropped 7% on-year to U.S.$131 billion. However, the higher drop in imports supported India's trade deficit which registered an improvement during the year.

The emergence of the COVID-19 pandemic in Fiscal Year 2021 exacerbated the EXIM situation as it led to a sharp drop in global demand and, in turn, world trade. The slowdown was witnessed across regions with GDP growth decelerating and some economies even moving towards a recession.

India's imports registered a sharp drop of 18% in Fiscal Year 2021 to U.S.$391 billion. The drop was primarily on the back of the sharp contraction of 37% on-year in oil imports due to reduced transportation requirements. In line with the GDP contraction, non-oil import demand also dropped by 11% during the year.

India EXIM Trade

Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Recovering domestic demand and higher commodity prices, especially of crude oil (India's largest import item), is expected to drive imports in Fiscal Year 2022. Brent crude prices is expected to range at U.S.$68-73 per barrel in 2021, compared with U.S.$42.3 in 2020. External demand, despite some recent weakness, is quite healthy (World GDP growth projected at 5.8% in 2021) and will support exports as the global economy recovers.

Coastal Shipping

Coastal shipping is the movement of cargo and passengers by sea (for domestic transportation) along the coast within the country without cross regional boundaries. India has a coastline spanning over 7,517 km, with 12 Major Ports and 205 Non-Major Ports across the coastline. Despite having an extensive network of inland waterways in the form of rivers, canals, backwaters, and creeks freight transportation by waterways is highly under-utilized.

According to Ministry of Shipping of the GoI, although water-borne transport is much safer, cheaper and cleaner compared to other modes of transportation, it accounts for less than 6% of India's modal split, which is significantly less than that in developed economies and some of the developing economies such as China (47.0%), the United States (12.4%) and Japan (34.0%).

The Ministry of Shipping of the GoI estimates that coastal shipping traffic of about 250 MMTPA can be achieved from current and planned capacities across coal, cement, iron and steel, food grains, fertilizers, and POL by 2025. Additionally, about 125 MMTPA of cargo is expected to be moved via inland waterways by 2025.

The GoI has also taken various initiatives for the promotion of coastal shipping such as Sagarmala, dedicated coastal berths in Major Ports, financial assistance to State Government for coastal berth and concession in cargo-related and vessel-related charges to the extent of 40%.

To further encourage coastal shipping, relaxation in cabotage laws have been made. Cabotage refers to transport of goods or passengers between two places in the same country by a transport operator from another country. Post the relaxation of cabotage laws, foreign carriers can carry containers between Indian ports without any specific license. Also, Indian ports can now attract cargo that originates from and is destined for a foreign country.

*Increasing Foreign Direct Investment ("**FDI**")/Private Sector Participation*

Strong growth potential, a favorable investment climate and incentives provided by the GoI have encouraged domestic and foreign private players to enter the Indian ports sector.

Such initiatives include allowing FDI up to 100% under the automatic route for projects related to the construction and maintenance of ports and harbors. Private ports enjoy price flexibility, as the GoI allows Non-Major Ports to determine their own tariffs in consultation with the state maritime boards (source: Ministry of Commerce and Industry).

The GoI has laid down guidelines for private sector participation in the port sector. The following areas have been identified (source: Ministry of Finance, GoI):

- leasing out assets of the port;
- construction and operation of container terminals, multipurpose cargo berths and specialized cargo berths, warehouse, storage facilities, tank farms, container freight stations, setting up captive power plants etc.;
- leasing of equipment for cargo handling and leasing of floating crafts from private sector;
- pilotage; and
- captive facilities for port-based activities.

Transshipment

In recent years, private ports have built up capabilities to capture a share of India's EXIM volumes that are transshipped from foreign ports. Improving infrastructure, competitive pricing, and relaxation in cabotage rules are some key factors that have been vital in positioning private players to capture transshipment volumes.

In Fiscal Year 2020, the Kamarajar Port handled the highest container volume of 28,040 TEU's in December 2020 comprising of 10,842 TEU's of transshipment. This is in line with the initiatives taken by the GoI to attract transshipment vessels to Indian ports from ports like Colombo, Singapore, Jebel Ali, etc. (source: Ministry of Shipping, GoI).

On the back of the relaxation of cabotage laws in May 2018 and the current scenario of idle capacity at Indian ports, it is expected that some of these volumes will flow back to transshipment hubs in India. India's strategic location on international main shipping route may leverage to increase its container volume growth in coming future.

Containerization

Major global ports, including those in India, have had to adapt to a dramatic expansion in the trade of containerized cargo. In India, container cargo traffic has increased significantly from its inception in the 1970s. This increase has been driven primarily by engineering goods imports, textile exports and increased containerization of goods, and has required a commensurate increase in the handling capacity at Indian ports and improvement of in-port and evacuation logistical operations.

Increasing containerization has also presaged the emergence of larger ships, which have become a competitive differentiator in the shipping and port industry and necessitated the development of ports that can accommodate larger ships.

Despite the increase, according to 2019 data from the World Bank, India still ranks 11th in container port traffic behind other smaller Asian and developing countries such as Singapore, Japan, and Malaysia. Strong container volume growth potential exists in India, driven by the potential increase in share of manufacturing, the ongoing surge in transshipment volumes and incremental containerization opportunities.

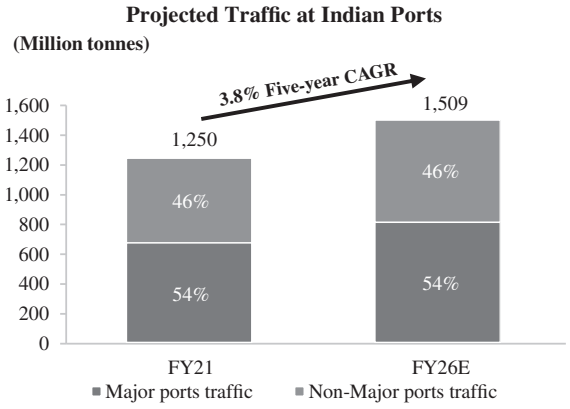
Indian Port Industry Outlook

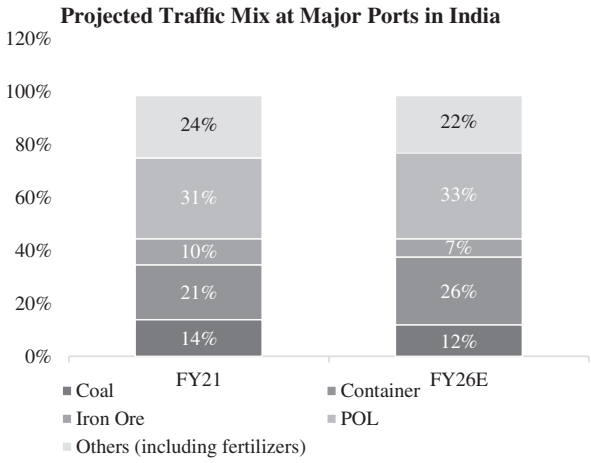
Outlook on Port Demand

Over Fiscal Years 2021 to 2026, growth at Indian ports is expected to be at 3.8% CAGR. Tapering growth in Coal and POL segments, led by slower consumption in crude oil and import substitution and plateauing of iron ore exports, is expected to moderate cargo traffic over the long term.

Over the next five years, Non-Major Ports are projected to grow faster than Major Ports led by the container segment, maintaining a larger share of total cargo traffic as seen below.

The commodity composition of traffic at Major Ports in India have shown marginal changes over the years with POL and its products projected to be the single largest commodity handled by the ports (33%) in Fiscal Year 2026. The contribution from coal is projected to decrease slightly from 14% in Fiscal Year 2021 to 12% in Fiscal Year 2026, with the contribution largely being replaced by an increased contribution from POL and container cargo.





Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

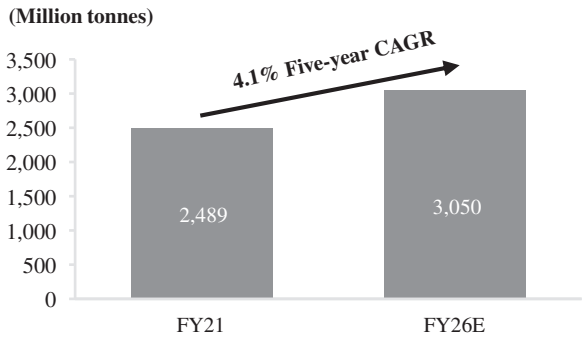
Note: E — Estimated

Outlook on Port Supply

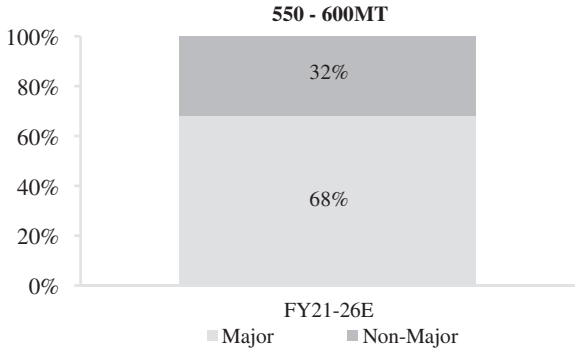
Ports are projected to add capacity of 550-600 MT at a CAGR of 4.1% from Fiscal Year 2021 to 2026. Capacity additions are expected to be driven by the POL (including LNG), followed by the coal and container segments.

Over Fiscal Years 2021 to 2026, 68% of capacity addition of 550-600MT is expected to come from Major Ports, especially Visakhapatnam, Paradip, Kandla, Ennore, Mumbai, Tuticorin and JNPT. The rest would be contributed by Non-Major Ports led by Dhamra, Mundra, Vizhinjam, Krishnapatnam, Kattupalli, among others.

Projected Total Port Capacity



Projected Mix of Capacity Additions



Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Note: The Ministry of Shipping revised the berthing policy in Fiscal Year 2018. Accordingly, capacities of all Major Ports have been re-rated, E — Estimated

Competitive Landscape

Summary of Top Port Players in India

The key port/terminal operators in India are Adani Ports and Special Economic Zone ("**APSEZ**"), JSW Infrastructure ("**JSWIL**"), Essar, JM Baxi, DP World, PSA International and APM Terminals, among others.

JSWIL is ranked second among its peers in the Indian port industry in terms of cargo capacity and traffic volumes.

The profiles of the top port players in India are denoted in the table below:

Company	FY 21 Capacity	FY 21 Traffic	Ports/Terminals	Key Commodity Groups
APSEZ	498 MT	247 MT	**Ports:** Mundra, Hazira, Dahej, Kattupalli, Krishnapatnam, Gangavaram (Acquired in FY22), Dhamra **Terminals:** Kandla, Mormugao, Ennore, Vizag	• Containers • Dry Bulk • Liquid Bulk
JSWIL	160 MT	63 MT	**Ports/Jetties:** Dharamtar, Jaigarh and Salav **Terminals:** Mormugao, New Mangalore, Ennore, Paradip	• Containers • Dry Bulk
Essar Group	110 MT	48 MT	**Ports:** Hazira, Salaya **Terminals:** Vizag, Paradip	• Dry Bulk
JM Baxi	37 MT	1.5 MTEU 4.1 MT	**Terminals:** Kandla, Vizag, Paradip, Haldia and Rozi Jetty (Jamnagar)	• Containers • Dry Bulk
DP World	Approximately 5.7 MTEU	Approximately 3.6 MTEU	**Terminals:** Mundra, JNPT, Cochin, Chennai	• Containers
PSA International	Approximately 4.2 MTEU	Approximately 2.5 MTEU	**Terminals:** JNPT, Chennai, Tuticorin (PSA and SICAL), Kolkata (PSA International provides O&M services)	• Containers
APM Terminals	Approximately 3.4 MTEU Approximately 7 MT (Bulk)	Approximately 2.4 MTEU Approximately 3.8 MT (Bulk)	**Ports:** Gujarat Pipavav (Container, Dry/Liquid Bulk) **Terminals:** JNPT (JV with CONCOR)	• Containers

Source: CRISIL Industry Report: Study on Ports Sector in India, December 2021

Note: APSEZ Capacity does not include Gangavaram; MT – Million tonnes, MTEU – Million TEU

OUR BUSINESS

Overview

We are one of India's leading private sector infrastructure development companies and among the top two port developers and operators in India in terms of cargo capacity and traffic volumes (source: CRISIL Industry Report: Study on Ports Sector in India, December 2021). Our capacity has increased significantly in recent years as a result of our commissioning of new terminals, expansion of the capacity at our existing facilities, and acquisitions of new terminals. As of September 30, 2021, the two ports and seven terminals we operate have an operational capacity of 173.2 MMTPA in aggregate. In addition, we are undertaking greenfield and brownfield expansion projects, and our projected capacity is expected to reach 179.2 MMTPA by Fiscal Year 2023. We are committed to developing seaports, and benefit from the geographically diversified locations of the ports and terminals we currently operate in the five Indian states of Maharashtra, Goa, Odisha, Karnataka, and Tamil Nadu, in addition to the United Arab Emirates ("**UAE**"). Our ports and terminals in India are well connected to the industrial and consumer hinterlands of Maharashtra, Goa and Karnataka on India's west coast, as well as Odisha and Tamil Nadu on the nation's southeast shore, thereby providing access throughout the Indian coastline across the western, eastern and southern coasts of India. We also operate under O&M arrangements two terminals in Fujairah Port in Fujairah, UAE. We have a strong track record for timely project implementation and developing and operating multi-location, multi-cargo ports and terminals since commencing operations in 2004 and believe that we will be able to successfully bring new operations online, benchmarked to international standards.

In Fiscal Year 2021, we handled a total cargo volume of 58.7 MMT, representing a year-on-year growth of 13.1%. Despite a challenging macro-economic landscape, we were able to successfully conclude the acquisition of the Chettinad Group's port business and took over operations at Ennore Coal Terminal, Ennore Bulk Terminal, and Mangalore Coal Terminal, adding 17 MMTPA in capacity. The acquisition represents a substantial breakthrough in terms of diversification of revenues and handling independent operations, rather than being dependent on the JSW Group business. As at March 31, 2021, coal, coke, fluxes, iron ore, liquid cargo, and other cargo represented 12.7%, 27.2%, 4.1%, 26.9%, 0.4% and 28.7% of our total cargo, respectively. Major Ports, Non-Major Ports, and O&M Ports represented 39.5%, 37.9% and 22.6% of our throughput, respectively.

Our total income for Fiscal Years 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021 was ₹11,815.9 million, ₹12,373.7 million, ₹16,782.6 million, ₹6,643.6 million and ₹11,230.2 million, respectively. Our profit for the year/period attributable to our owners for Fiscal Years 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021 was ₹2,667.2 million, ₹1,904.2 million, ₹2,913.8 million, ₹1,216.5 million and ₹2,058.5 million, respectively. Our EBITDA for Fiscal Years 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021 was ₹7,134.7 million, ₹7,134.2 million, ₹8,911.3 million, ₹3,721.8 million and ₹5,571.1 million, respectively.

Our Competitive Strengths

Our principal competitive strengths are as follows:

Proven track record in developing and operating infrastructure

With over two decades of experience in the infrastructure sector, we are one of the leading private sector infrastructure companies in India and among the top two port developers and operators in the country in terms of capacity and cargo handled (source: CRISIL Industry Report: Study on Ports Sector in India, December 2021). We have a demonstrated track record of developing and operating in multi-cargo ports and terminals across multiple locations, with expertise in handling bulk cargo. The cargo handling system at our ports are mostly mechanized, which has enabled quick turnaround times and efficient use of resources. For example, our ports have modern ship-unloaders with a capacity ranging from 2,000 metric tons per hour to 7,000 metric tons per hour, which are well equipped to feed the conveyor system for unloading of cargo. Similarly, our stacker-reclaimer, shiploaders, in-motion wagon loading system, and other equipment have increased the efficiency of our ports and terminals.

As of the date of this Offering Memorandum, we have nine ports and terminals under operation and one port and terminal under commissioning and construction. As of September 30, 2021, our operational capacity was 173.2 MMTPA, representing an expansion of over 5 times from 33 MMTPA in Fiscal Year 2015 and a CAGR of 33%. In Fiscal Year 2021, we completed the expansion of Dharamtar Port from 16 MMTPA to 34 MMTPA, in line with the 5 MMTPA to 10 MMTPA capacity expansion of JSW Steel's Dolvi plant. Our primary mode of expansion has been through brownfield projects, thereby significantly lowering execution risk. We recently acquired three terminals at the Major Ports of Ennore and New Mangalore, adding 17 MMTPA of operational capacity. In Fiscal Year 2020, we won the bid for our first container terminal and signed a concession agreement with NMPT. In Fiscal Year 2015, we won the contract for mechanization of the EQ1, EQ2 and EQ3 berths at the Paradip Port; we entered into the concession agreement in May 2016 and received the letter of award in December 2017, following which we commenced construction and mechanization of the terminal. We had initially anticipated that the terminal would become operational during Fiscal Year 2019, however, due to delays in connection with the COVID-19 pandemic as well as technical issues, the project was completed in August 2021. The terminal received its provisional commercial operation certificate on August 16, 2021, the completion certificate on December 28, 2021, and the commercial operation date was September 12, 2021. The terminal has a handling capacity of 30 MMTPA. Over the next two years, we expect to increase our operational capacity to 179.2 MMTPA through additional greenfield and brownfield expansion projects.

Strategic and geographically diversified locations with proximity to large hinterland

We benefit from the geographically diversified locations of our ports and terminals, which are spread across five Indian states in addition to the UAE. Our ports and terminals in the Indian states of Maharashtra, Odisha, Karnataka, Tamil Nadu, and Goa represent 46.7%, 22.2%, 7.2%, 5.6% and 5.0% of our operational capacity as of the date of this Offering Memorandum, respectively, while the balance of 13.3% is attributable to our Fujairah Terminal in the UAE.

Our strategically located ports and terminals offer road, rail, coastal, and conveyor belt connectivity as most of the ports and terminals are part of Major Ports in India. Seven of our ports and terminals, namely Jaigarh Port and Dharamtar Port in Maharashtra, Paradip Iron Ore Terminal in Odisha, South West Port in Goa, Mangalore Coal Terminal in Karnataka, and Ennore Coal Terminal and Ennore Bulk Terminal in Tamil Nadu, offer mechanized and multi-cargo handling facilities. These ports and terminals are well connected to the industrial and consumer hinterlands of Maharashtra, Goa and Karnataka on India's west coast, as well as Odisha and Tamil Nadu on the nation's southeast shore, thereby providing access throughout the Indian coastline across the western, eastern and southern coasts of India.

Our presence across the entire Indian coastline allows us to cater to the nation's entire cargo spectrum. This geographical diversity enables our revenue realizations to be spread across weather patterns, climates and demand schedules. Amongst others:

- our Dharamtar Port is strategically located adjacent to the premises of JSW Steel's Dolvi plant;
- our Jaigarh Port is located close to JSW Energy and the sugar and fertilizer belt of Maharashtra, as well as the hinterland for cement plants;
- our South West Port is the closest port for JSW Steel's Vijayanagar Work at Toranagallu, Karnataka and JSW Energy's power plant located in Bellary, Karnataka;
- our Mangalore Coal Terminal and Mangalore Container Terminal are located close to power plants around the hinterlands of Karnataka, Tamil Nadu;
- our Ennore Port Terminals are located close to JSW Steel's Salem plant;
- our Paradip Iron Ore Terminal is located close to JSW Steel's iron ore mines; and
- our Paradip Coal Exports Terminal is located close to the Mahanadi coalfields.

The strategic location of our ports and terminals vis-à-vis key client facilities, including the facilities of other JSW Group members and third-party clients, facilitates the growth of our business through increasing our clients' dependence on our ports and terminals for their raw material sourcing.

Demonstrable brand strength and sponsor support

We are a part of the JSW Group, a leading multinational conglomerate with an international portfolio of diversified assets across various sectors, including steel, energy, infrastructure, cement, paints, venture capital, and sports. By being part of the JSW Group, we believe that we achieve significant synergies, including multiple revenue channels, access to talent, securing financing on competitive terms, administrative services, and sourcing critical equipment and supplies. For Fiscal Years 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021, revenue from related parties amounted to ₹7,572.8 million, ₹6,856.0 million, ₹9,062.4 million, ₹3,837.1 million and ₹5,989.4 million and accounted for 70.1%, 60.0%, 56.5%, 62.0% and 55.5% of our total revenue, respectively. We believe these figures demonstrate the strong support provided by the JSW Group to our business, allowing it to grow alongside the growth of the JSW Group's business. Furthermore, due to the strategic location of our ports near critical facilities of other JSW Group members, we expect this relationship to continue for the future.

Highly stable and diversified revenue streams with efficient operations

We hold long-term take-or-pay contracts with a substantial portion of our customers, handling cargo at significantly higher volumes than the contracted minimum commitments under these contracts. See "*— Port Services — Long-term Agreements*" for further details. The majority of our take-or-pay contracts expire in 2030 or later and are further extendable on an arm's length basis, with the longest not expiring until 2058. We believe the structure of our operations, through tariff stability and volume security, lead to highly stable revenue streams and provide high operational resilience.

We offer marine, intra-port transport, storage, and other value-added and cargo evacuation services to intra-group and third-party customers to diversify revenue streams and eliminate revenue leakage. Our customers include terminal operators, shipping lines and agents, exporters, importers, and other port users. Due to this diversification, our revenue profile is less volatile and less cyclical compared to some of our clients whose business focuses on the commodity cycle.

Furthermore, as ports and related logistics services were classified as an "essential service" by the GoI in March 2020, our business remained stable during the COVID-19 pandemic. All of our ports were operating during the COVID-19-related lockdowns in India and the impact of the COVID-19 pandemic has been minimal on the throughput handled by our ports. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting Our Results of Operations – Impact of the COVID-19 pandemic on our Company*" for further details.

Supportive industry dynamics

India is one of the fastest-growing economies in the world, with a projected CAGR of 6.7% from 2021 to 2026 and historical CAGR of 3.5% from 2015 to 2020. In addition, the Indian port sector benefits from the natural geographical advantage that India possesses. Approximately 50% of international trade and 60% of global oil trade passes through the Indian Ocean, with cargo ships sailing across Indian territorial waters as they traverse between East Asia and Europe and Africa. Through this unique geographical advantage, Indian ports have the opportunity to provide infrastructure and technical support to a large number of vessels, providing significant investment opportunities for the Indian port and logistics sector.

In addition, the GoI has implemented the following key initiatives to further drive growth in the Indian ports sector:

- *Sagarmala initiative* – The GoI launched the Sagarmala initiative in 2015 with a view to promote port-led development in India and to provide infrastructure to transport goods to and from ports quickly, efficiently and cost-effectively. Under the Sagarmala initiative, the GoI has targeted an investment of ₹7.78 trillion over Fiscal Years 2015 to 2035. The GoI intends to apply 18% of such investments towards port modernization projects and the remainder towards port-linked industrialization, port connectivity and coastal community development projects. Since initiation in

Fiscal Year 2015, the Sagarmala initiative has been applied towards 206 port modernization projects worth ₹786.0 billion in aggregate. 39% of the projects have been completed while another 29% of the projects are currently under implementation.

- *Relaxation of the cabotage rule* – Cabotage refers to the transport of goods or passengers between two places in the same country by a transport operator from another country. In May 2018, the cabotage rule under section 407 of the of the Merchant Shipping Act 1958 relaxed the licensing requirements of foreign flag ships. At present, foreign carriers are able to carry containers between Indian ports without any specific license and Indian ports can handle transshipment cargo.

- *Improved logistics and infrastructure* – The GoI has increased the budgetary spending on infrastructure from ₹4.12 trillion in Fiscal Year 2021 to ₹5.54 trillion in the Fiscal Year 2022 and has also enacted policies to construct six freight corridors along the DFC in order to improve port connectivity. Such initiatives are expected to accelerate infrastructure development in India and in turn support the growth of the Indian port sector.

We expect that the Indian port sector will continue to benefit from the supportive industry dynamics of India's natural geographical advantage, its strong macroeconomic fundamentals and the favorable policies and initiatives of the GoI.

Visionary leadership supported by an experienced management team

We have a strong management team with extensive experience in the port infrastructure sector and proven track record of performance. Our Board of Directors have vast experience in ports, shipping, logistics and financing, having an average of 35 years of experience. Our senior management team, led by our Board of Directors, has an average of more than 18 years of experience in the Indian port infrastructure industry as well as more than 25 years of varied industry experience in other major sectors such as shipping and logistics, steel, mining. Furthermore, the members of our management team possess complementary skills and we are able to leverage on the relevant expertise of our Board of Directors.

Our Strategies

As a growing multi-location port developer and operator, our key strategies are as follows:

Increase revenue stream diversification through customer-centric service

We are a customer-centric service provider focused on meeting our customers' requirements and expectations. We aim to provide value-added offerings and end-to-end logistical solutions, including warehousing and multi-modal transportation facilitation to satisfy our customers, which has resulted in the steady growth of our third-party cargo levels. We aim to continually diversify our customer base by increasing third-party cargo concentration. For Fiscal Years 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021, revenue from related parties amounted to ₹7,572.8 million, ₹6,856.0 million, ₹9,062.4 million, ₹3,837.1 million and ₹5,989.4 million and accounted for 70.1%, 60.0%, 56.5%, 62.0% and 55.5% of our total revenue, respectively. The trend represents a gradually decreasing reliance on our related parties through an increase in revenue from third-party customers. We aim to continue our customer diversification strategy, with a goal of increasing revenue from third-party customers to more than 40% of total revenue by Fiscal Year 2024.

Our ports are equipped to handle various types of cargo, including dry bulk, break bulk, liquid, and containers. Other than coal, coke, and iron ore, we also handle sugar, fertilizers, steel products, rock phosphate, molasses, and edible oil. To minimize over-dependence on any one commodity cargo such as iron ore or coal, we are focused on upgrading our cargo handling capabilities to cover LPG and LNG. We believe the diversification of products handled at our ports and terminals will improve our positioning in case of a slowdown or decrease in shipments of any particular type of commodity cargo.

In addition, we aim to expand the location of our ports and terminals in all coastal states to strengthen our pan-India presence, which we believe would allow us to leverage on additional sources of revenue and increasing economies of scale through higher volumes of coastal shipping.

Multi-faceted growth

We plan to achieve our targeted growth through our "SPARC" (states, private, alternate, reach and container) strategy, which comprises the following:

- *States:* We plan to expand in high growth states within India with promising infrastructure facilities and access to trading hubs with high growth potential in the hinterlands.

- *Private*: To fast-track economic growth, the GoI is considering different modes of accelerating port infrastructure creation, primarily through privatization. We have synchronized our expansion strategy to the GoI's infrastructure development plan, which we believe would allow us to take into consideration the GoI's policies and assist India in achieving its goals through our brownfield and greenfield expansion into new geographies.

- *Alternative:* We have diversified into multi-product cargo operations. The diversification of our cargo has enabled us to develop expertise in handling bulk cargo and newer cargo handling capabilities, including:

    - handling liquid commodities such as LNG and LPG following the commissioning of India's first Floating Storage and Regasification Unit-based LNG terminal at Jaigarh Port; and

    - handling urea and other fertilizers at Jaigarh Port.

    In order to handle such diversified cargo, we have created cargo-specific facilities such as storage for LPG and neem coating facilities for urea, and also provide other value-added services such as bagging services to urea importers to covered storage for iron ore and coal to minimize loss during heavy rains.

- *Reach:* We are expanding our footprint through organic and inorganic growth opportunities. Since Fiscal Year 2020, we have acquired four facilities at strategic locations. In particular, the acquisition of Mangalore Coal Terminal and Chettinad Group's port assets has significantly increased our capacity and brought us closer to reaching our capacity target of 180 MMPTA by Fiscal Year 2023. We aim to optimize the allocation of our resources to build our capacity; as of Fiscal Year 2021, our capital cost per MMT was ₹640 million per MMT for greenfield Non-Major Port expansions and ₹398 million per MMT for Major Port expansions. We are also digitizing our service delivery platforms, enabling our customers to track real-time cargo movement.

- *Container:* We are developing container terminals and liquid cargo handling capabilities, an example of which is our investment in the Mangalore Container Terminal during Fiscal Year 2020. We intend to bid for additional container terminals to enhance our capacity utilization.

Environmentally-friendly and sustainable operations and growth

The largest volume of cargo handled by us utilizes coastal or riverine routes to save costs and fuel relative to road or rail transportation. We plan to expand our coastal shipping capabilities and handle 28 MMTPA of cargo via coastal routes to reduce carbon emissions. For Fiscal Year 2021, 12 MMT, 15 MMT, 4 MMT and 15 MMT of our cargo evacuation was conducted through rail, road, waterway, and conveyor routes representing 25%, 32%, 10% and 33%, respectively, of our total cargo evacuation. We are aiming for 39 MMT, 16 MMT, 16 MMT, 31 MMT and 1 MMT of our cargo evacuation to be conducted through rail, road, waterway, conveyor, and pipeline routes in Fiscal Year 2023, which would represent 38%, 16%, 15%, 30% and 1%, respectively, of our targeted total cargo evacuation for Fiscal Year 2023.

Furthermore, our facilities include 80,000 sq.m. and 91,000 sq.m. of covered storage at our Jaigarh Port and Dharamtar Port, respectively, to control possible pollution from coal and iron ore.

All of our ports and terminals comply stringently with pollution controlling measures as prescribed by the respective Pollution Control Boards.

We will continue strengthening the environmental aspects of our operations and adopt measures such as cover sheds, water sprinklers and windshields for dust suppression, monitoring systems for pollutants, and green vegetation surrounding our facilities. See "— *Sustainability*" for further details.

We have actively engaged local communities around our ports and terminals through various corporate social responsibility ("**CSR**") activities, including projects relating to health and nutrition, education, water, environment and sanitation, and livelihoods and skill enhancement. In Fiscal Year 2021, we committed ₹64.4 million to our CSR activities.

Financial prudence

We plan to continue to balance our risk exposure through close monitoring and implementation of natural currency hedges. In addition, we will regularly consider financing and refinancing opportunities to diversify our debt profile, reduce interest costs, and elongate the maturity of our debt portfolio, as well as closely monitor our judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities while minimizing risk.

We intend to focus on prudent cost optimization via reducing logistical costs in our supply chain and enhancing efficiencies through mechanization to achieve profitability growth. Meanwhile, we intend to also monitor our liquidity and cash reserves with a conservative approach and maintain sufficient capital reserves to protect against risks that may affect our business.

Organizational Structure

Our organizational structure with equity shareholding in the respective operational entities as at September 30, 2021 is set out below:

Entity Name	Relationship	Our Company's Ownership	Other Owners
JSW Jaigarh Port Limited	Subsidiary	100%	—
South West Port Limited	Subsidiary	74%	Starlog Enterprises Ltd (10%) Dhamankhol Engineering and Constructions Private Limited* (4.9%) Tranquil Homes and Holdings Private Limited* (6.2%) Nalwa Chrome Private Limited.* (4.9%)
JSW Shipyard Private Limited	Subsidiary	100%	—
Nandgaon Port Private Limited	Subsidiary	100%	—
JSW Dharamtar Port Private Limited	Subsidiary	100%	—
JSW Mangalore Container Terminal Private Limited	Subsidiary	100%	—
Masad Marine Services Private Limited	Step-down Subsidiary	100% held by JSW Dharamtar Port Private Limited	—

Entity Name	Relationship	Our Company's Ownership	Other Owners
Jaigarh Digni Rail Limited	Step-down Subsidiary	63% held by JSW Jaigarh Port Limited	Konkan Rail Corporation Limited (26%) Maharashtra Maritime Board (5%)
JSW Salav Port Private Limited. . .	Subsidiary	100%	—
JSW Paradip Terminal Private Limited	Subsidiary	74%	South West Port Limited (26%)
Paradip East Quay Coal Terminal Private Limited.	Subsidiary	74%	South West Port Limited (26%)
Ennore Bulk Terminal Private Limited (formerly known as Chettinad International Bulk Terminal Private Limited)	Step-down Subsidiary	90% held by Southern Bulk Terminal Private Limited	South India Corpn Private Limited (10%)
Mangalore Coal Terminal Private Limited (formerly known as Chettinad Mangalore Coal Terminal Private Limited)	Step-down Subsidiary	74% held by Southern Bulk Terminal Private Limited and 26% held by Ennore Bulk Terminal Private Limited	—
Ennore Coal Terminal Private Limited (formerly known as Chettinad International Coal Terminal Private Limited)	Step-down Subsidiary	100% held by Southern Bulk Terminal Private Limited	—
Southern Bulk Terminal Private Limited (formerly known as Chettinad Builders Private Limited).	Subsidiary	100%	—
JSW Terminal (Middle East) FZE .	Subsidiary	100%	—

* *member of JSW Group and affiliate of our Company*

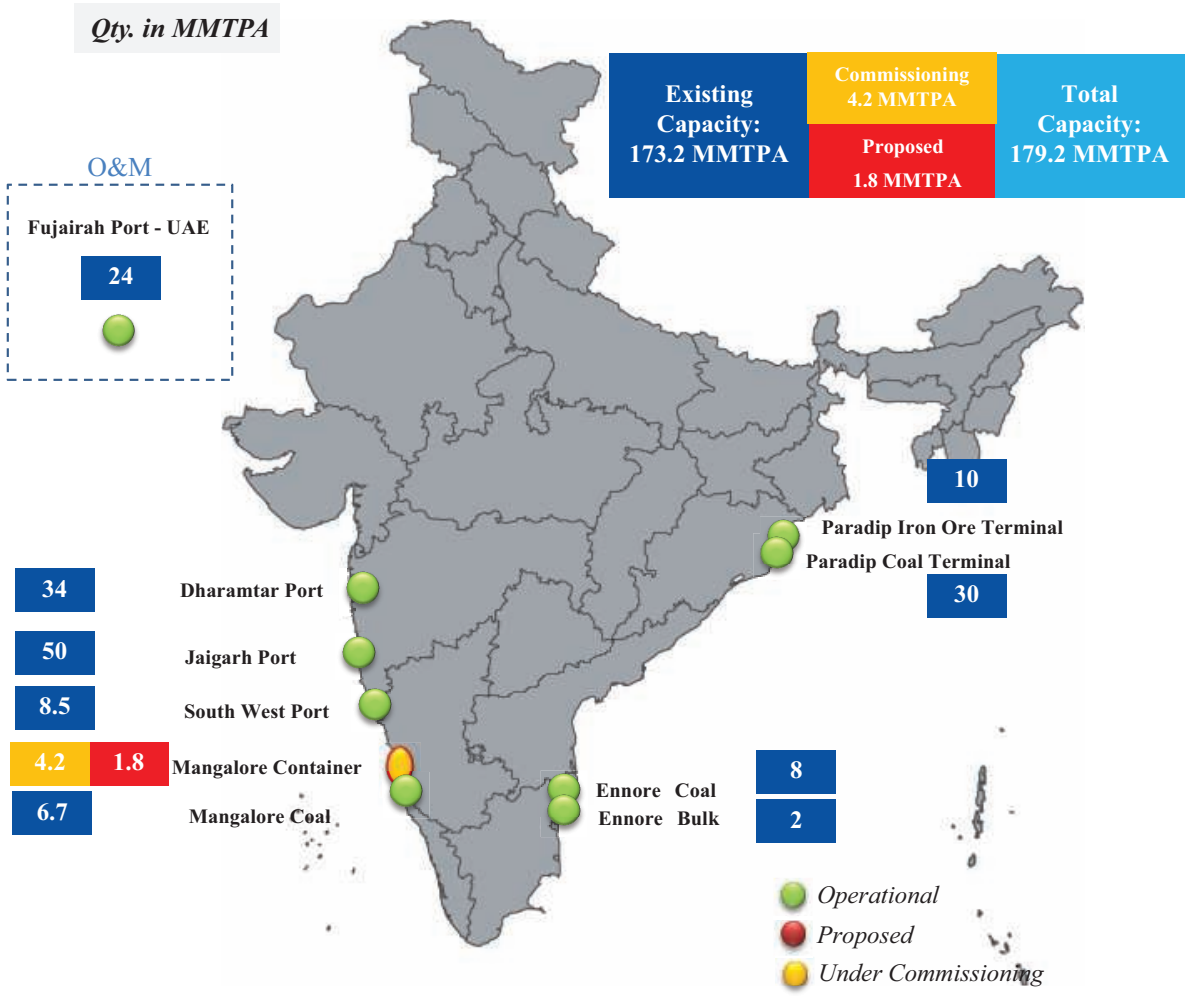
Description of our portfolio of our assets

We provide port services for various cargos, including dry and liquid bulk, container, crude oil and other cargo, with a focus on coal, iron ore and steel coil cargo. As of September 30, 2021, we operate two ports and seven terminals with 28 berths. Our operational and under construction port facilities and logistics facilities are set out below as at September 30, 2021:

Port Name	Jaigarh Port	South West Port	Dharamtar Port	Paradip Iron Ore Terminal	Paradip Coal Exports Terminal	Mangalore Container Terminal	Mangalore Coal Terminal	Ennore Coal Terminal	Ennore Bulk Terminal	Total	Fujairah Terminal
Hinterland	**Maharashtra**	**Goa**	**Maharashtra**	**Odisha**	**Odisha, Jharkhand**	**Karnataka**	**Karnataka**	**Tamil Nadu**	**Tamil Nadu**	**Pan-India**	**UAE**
Capacity (MMT)											
Bulk	40.0	8.5	34.0	10.0	30.0	0.6	6.7	8.0	2.0	**139.9**	24.0
Liquid	1.5	—	—	—	—	—	—	—	—	**1.5**	—
LNG	8.0	—	—	—	—	—	—	—	—	**8.0**	—
LPG	0.5	—	—	—	—	—	—	—	—	**0.5**	—
Container	—	—	—	—	—	Phase I – 3.6 Phase II – 5.4	—	—	—	**—**	—
Total Capacity	50.0	8.5	34.0	10.0	30.0	0.6	6.7	8.0	2.0	**155.2**	24.0
Status	Operational	Operational	Operational 150 meter jetty for MBC (95% completed)	Operational	Operational	Under construction	Operational	Operational	Operational	**N/A**	Operational
Date operations commenced under the Group	2011	2004	2012	March 31, 2020	September 12, 2021	Phase I expected to be commissioned in the first quarter of Fiscal Year 2022	Acquired on November 13, 2020	Acquired on November 13, 2020	Acquired on November 13, 2020	**N/A**	2017
Concession period	2058	2029	2044	2046	2047	2050	2047	2036	2044	**N/A**	O&M
Opportunity to expand	Yes	No	Yes	No	No	No	No	Yes	Yes	**N/A**	N/A
Maximum draft (meters)	17.5	14.5	5.0 meters at berth pocket (3.5 meters at Amba River channel)	17.1	15.0	14.0	14.0	16	14.5	**N/A**	14
Berth length (meters)	2,318	450	1,044	370	686	350	325	347.5	270	**6,160.5**	610
Berths	7	2	9	1	3	1	1	1	1	**26**	2
Fully mechanized	No (5 of 7 mechanized)	No (1 of 2 mechanized)	Yes	Yes	Yes	—	Yes	Yes	No	**N/A**	Yes
Bulk handling equipment	8	2	9	2	2	—	2	2	2	**29**	2
Stacker and reclaimers	7	2	—	2	2	—	2	2	—	**17**	—
RTGs	—	5	—	2	2	—	—	—	—	**5**	—
Conveyors (km)	10.2	2.5	6.8	8.1	10.0	—	3.4	7.7	—	**48.6**	5.5
Railway lines (km)	—	1.4	—	—	5.8	—	3.7	2	—	**12.9**	—
Locomotives	—	—	—	—	—	—	—	4	—	**4**	—
Silos storage (number)	1	1	—	—	—	—	1	2	—	**5**	—
Tankages (kl)	51.2	—	—	—	—	—	—	40.0	—	**91.2**	—
Mobile harbor crane	—	—	—	—	—	Phase I - 2 Phase II - 1 (in addition to Phase I)	—	—	—	**—**	—
Reach stacker	—	—	—	—	—	Phase I - 6 Phase II - 2 (in addition to Phase I)	—	—	—	**—**	—
Empty Container Handler	—	—	—	—	—	Phase I – 1 Phase II - 1 (in addition to Phase I)	—	—	—	**—**	—
Mobile hopper	—	—	—	—	—	Phase I - 2	—	—	—	**—**	—
Container Storage Area (sq.m.)	—	—	—	—	—	Phase I - 65,000 Phase II - 75,000 Total - 140,000	—	—	—	**—**	—
Bulk storage area (sq.m.)	313,091	31,920	—	82,125	145,325	155,000	93,900	128,000	75,750	**1,025,111**	—
Break-bulk storage area (sq.m.)	—	12,957	—	—	—	—	—	—	—	**12,957**	—
Dredgers (not allocated port-wise)	1	—	—	—	—	—	—	—	—	**1**	—
Tug	3	—	2	—	—	—	—	—	—	**5**	—
Tariff fixation	Commercially negotiated	Regulated	Commercially negotiated	Regulated	Regulated	Regulated	Regulated	Regulated	Regulated	**N/A**	N/A
Port Type	Non-Major	Major	Non-Major	Major	Major	Major	Major	Major	Major	**N/A**	N/A

* *1 million TEU is equal to 14.6 MMT*

A map of our operational and under construction port facilities and logistics facilities as of September 30, 2021 is set out below.



Port Services

Our total cargo volume handled at various facilities is set out below for the periods indicated:

	Year ended March 31,			Six months ended September 30,	
	2019	2020	2021	2020	2021
			(in MT)		
Jaigarh Port	12.88	10.36	9.24	3.76	6.51
South West Port	5.25	6.62	6.84	3.47	3.49
JSW Infrastructure Limited (O&M)[1]	4.19	3.17	3.59	1.55	1.43
Dharamtar Port	12.69	12.84	12.90	5.50	7.19
Paradip Port[2]	—	1.01	8.43	3.73	4.08
Fujairah Terminal[3]	22.11	17.90	13.17	5.81	6.75
Ennore Coal Terminal[4]	—	—	3.14	—	4.48
Ennore Bulk Terminal[4]	—	—	0.39	—	0.65
Mangalore Coal Terminal[4]	—	—	1.02	—	2.05
Total	57.12	51.90	58.72	23.82	36.63

Notes:

(1) We handle cargo for JSW Steel, under a cargo handling agreement between JSW Steel and JSW Infrastructure Limited, at Berth 7 and Berth 10 at Mormugao Port, which are terminals owned and operated by an external operator.

(2) Commenced operations on September 25, 2019.

(3) We entered into an O&M contract on November 8, 2016 for cargo handling at two terminals at Fujairah Port.

(4) Commenced operations under our Group after acquisition on November 13, 2020.

Services

We are currently able to provide port services at Jaigarh Port, South West Port, Dharamtar Port, Paradip Iron Ore Terminal, Mangalore Coal Terminal, the Ennore Port Terminals, and Fujairah Terminal, and plan to provide port services at our other facilities as they become fully operational. Our port services, depending on the types of cargo handled at the facility, include:

- Marine services, including: the piloting of vessels using tugs, mooring, berthing, and de-berthing.

- Stevedoring services, including: loading and unloading cargo to and from berthed vessels using mobile harbor cranes/ship unloaders, and transferring cargo from berth to storage areas and/or covered go downs.

- Intra-port transport services, including: transporting all types of cargo within the port using conveyors, roads, and railway sidings. We transport dry bulk cargo within the port from the berth to storage areas by conveyors and trucks. We transport liquid bulk cargo through pipelines from the vessels to storage tank areas.

- Storage and handling services, including: storage for dry bulk and liquid bulk cargo. We provide short-term and long-term storage for dry bulk and liquid bulk cargo in the back-up area at our ports and terminals. We also load and unload dry bulk and liquid bulk cargo onto or from trucks or railcars for transportation to and from our ports and terminals.

- Evacuation services, including: silo loading, rail loading services, coastal movements through mini bulk carriers, transshipment, and inland water transport.

- Other value-added services, including: for dry bulk cargo, cleaning, bagging and blending services; for liquid bulk cargo, blending services; and, more generally, ship chandlering, providing fresh water and consumables, 24-hour water navigation, port maintenance, and dredging.

Long-term Agreements

The majority of our captive cargo is governed by long term contracts ranging from 10 to 15 years. A portion of the contracts contain minimum take-or-pay clauses, thereby guaranteeing us certainty of revenue. Meanwhile, third-party customer contracts are generally for a term of one year and are renewed annually. The total quantity of cargo that we handle under take-or-pay agreements is 24.4 MMTPA, with committed revenue of ₹7,258 million (U.S.$97.7 million) per annum. The following is a list of our major long-term contracts:

Port	Customer	Tenor	Service Type	Minimum Commitment (MMTPA)
Dharamtar Port	JSW Steel Limited	Through 2031	Cargo handling	10.0
Jaigarh Port	JSW Steel Limited	Through 2030	Cargo handling	4.0
Jaigarh Port	JSW Steel Limited	Through 2030	MBC	4.0

Port	Customer	Tenor	Service Type	Minimum Commitment (MMTPA)
Jaigarh Port	JSW Steel Limited	Through 2030	Cape dredging	9.0
Jaigarh Port	JSW Energy Limited	Through 2024	Cargo handling	4.0
Jaigarh Port	JSW Energy Limited	Through 2030	Cape dredging	3.0
Jaigarh Port	H-Energy Gateway Private Limited	Through 2058	Cargo handling	1.4
Ennore Coal Terminal	JSW Steel Limited	Through 2036	Cargo handling	4.0
Ennore Bulk Terminal	JSW Steel Limited	Through 2036	Cargo handling	1.0

Jaigarh Port, Maharashtra

Strategically located between Mumbai and Goa, our Jaigarh Port is Maharashtra's first deep water port. Operational 24/7, the Jaigarh Port contains India's first Floating Storage and Regasification Unit ("**FSRU**")-based LNG terminal commissioned in May 2018. The facility is accredited with ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 certifications. It is an all-weather port that offers customized services for handling dry bulk, liquid, and container cargo, and a range of support services. We are working towards building our Jaigarh Port into one of the most mechanized and modern ports in India, making it the most preferred facility across Maharashtra and Karnataka.

Currently, the Jaigarh Port is fully operational with seven berths, having a total berth length of 2,318 meters, and a cargo handling capacity of 50 MMTPA. The Jaigarh Port serves a large hinterland covering parts of northern Goa, southern and western Maharashtra, and Northern and Central Karnataka. Details of the operational infrastructure of the terminal are set out below:

Particulars	Berth 1	Berth 2	Berth 3A	Berth 3B	Berth 4A	Berth 6A	LNG Berth
Cargo type	Mechanized dry bulk berth	Multipurpose berth	Multipurpose berth	Container berth	LPG	Coastal berth	LNG terminal
Berth length	300 meters	250 meters	306 meters	307 meters	312 meters	347 meters	345 meters
Maximum vessel size	200,000 DWT (capesize)	80,000 DWT (Panamax)	200,000 DWT (capesize)	18,000 TEU	0.6 MMT	50,000 DWT (Handymax)	267,000 cubic meters (Qmax)

Services

The top export cargo at the Jaigarh Port includes molasses, sugar, steel coil, bauxite, and fly ash. Meanwhile, the top import cargo includes coking coal, thermal coal, limestone, fertilizers, coated pipes, rock phosphate, sulfur, steel coil, container cargo, gypsum, and edible oil. Other cargo handled at the Jaigarh Port includes iron ore, fluxes, LNG and LPG.

Infrastructure

The Jaigarh Port has a backup area of 180,000 sq.m. and breakwater length of 712 meters.

Other key features of the Jaigarh Port infrastructure include the following:

- coal/iron ore yard capacity: 1,900,000 MMT;

- mechanized coal handling: two gantry ship unloaders at Berth 1 of 2,000 metric tons per hour each and two gantry ship unloaders at Berth 3A of 4,500 metric tons per hour each;
- closed conveyor system;
- two stacker reclaimers of 4,000 metric tons per hour with stacking capacity of 2,000 metric tons per hour reclaiming each, two stacker reclaimers of 6,500 metric tons per hour with reclaiming capacity of 2,500 metric tons per hour reclaiming each;
- dust suppression and firefighting systems for storage yards;
- warehousing capacity of 52,400 sq.m.;
- eight liquid tanks (non-IMDG, with capacity of 4x5,200 kl, 2x9,300 kl and 2x8,800 kl);
- six weighbridges with weighment range of 50 to 100 metric tons;
- two mobile harbor cranes at Berth 2 of 60 metric tons capacity each; two mobile harbor cranes at Berth 3B of 75 metric tons capacity each;
- two single lift spreaders;
- two reach stackers;
- four shiploaders of 2,500 metric tons per hour capacity each; and
- pre-delivery inspection facility for ro-ro and reefers.

Connectivity

The Jaigarh Port is connected through a two-lane road to Nivali on National Highway NH 66. This road has been widened and strengthened for heavy vehicular traffic.

The nearest railway link is at Ratnagiri at a distance of 55 km on the Konkan railway network.

Concession Agreement

The Maharashtra Maritime Board has granted a 50 year license via GR No. PDE – 0707/C.R. 219/Port-02 dated June 4, 2008 to JSW Jaigarh Port Limited to build a multi-purpose, common user port on build-own-operate-share-transfer basis.

The JSW Jaigarh Port Limited has to finance, design and construct, operate and maintain the port complex in accordance with the terms of the concession agreement dated June 24, 2008. The land acquired for port operations shall be held by the licensee for a nominal lease rent of ₹1 per annum, which stands in addition of ₹1.37 million per annum paid towards lease for the demised premises as per the previous lease deed dated March 12, 2007, with an obligation on the licensee to pay an increased rent as may be noted from time to time by the licensor or any statutory body or authority.

South West Port, Goa

Established in 1997, the South West Port at Goa was our first operational port. JSW Steel's Vijayanagar Work at Toranagallu, Karnataka relies heavily on the South West Port for key logistical support. The terminal currently operates Berth 5A and Berth 6A, two bulk cargo berths at Mormugao Port Trust at Goa, on a Build, Own, Operate and Transfer ("**BOOT**") license agreement. Due to its strategic location, the South West Port is crucial in maintaining low costs, while efficiently handling finished steel exports, along with coking coal and ore imports. The South West Port has a capacity of 8.5 MMTPA.

Located within the sheltered Mormugao Harbor, the berths at the South West Port allow for year long, all-weather operations. The total berth length is 450 meters, with two berths in line. Coking coal constitutes the bulk of imported goods while exports are dominated by steel coils manufactured by the JSW Steel plant at Toranagallu. Details of the infrastructure of the terminal are set out below:

Particulars	Terminal at South West Port
Cargo type	Thermal coal, coking coal, coke, iron ore, steel, limestone, and other dry bulk
Draft	14.5 meters
Vessel size	Handymax and Panamax vessel
Berths	2
Berth length	450 meters
Cranes	2 cranes and 5 RTG cranes

Support services are readily available at the South West Port since the terminals are located within the operational Mormugao Port. Support services include vessel traffic management system, ship repair, fresh water and provisions, and medical aid and other services.

Infrastructure

The South West Port has two multipurpose cargo handling berths with the consent capacity to handle 8.5 MMT of cargo every year. The terminal currently handles all the export-import requirements of JSW Steel plant at Toranagallu, Karnataka, including coking coal and coke, and finished steel products.

The berths are equipped with fully-mechanized cargo handling systems, mechanized wagon loading system connected by closed conveying system and cargo storage capacity of 180,000 metric tons as well as three mobile harbor cranes/ship unloaders. The berths have the advantage of a rail head that leads directly to the berths, making cargo-handling easier and more efficient.

Connectivity

The South West Port is favorably situated within a major harbor in a large city – Vasco da Gama – with all the attendant facilities.

The South West Port is conveniently located as it is connected to two National Highways — NH 17 and NH 4A, with NH 4A connecting to the Mumbai-Bengaluru NH 14.

The Government of Goa is considering upgrading the Vasco-Londa state highway.

The South West Port also has the unique advantage of a railway connection right at its terminals, with the Southwest Railway rail head entering the harbor to touch the terminal, allowing for smooth transportation of goods by rail. The South West Port is the closest harbor to the industrial belt of northern and central Karnataka, particularly the steel industry cluster of Bellary, Hospet, which houses many steel and cement plants.

The Zuari and Mandovi rivers provide inland waterway transport facilities, connecting the Mormugao Harbor — and the South West Port — with mines and manufacturing plants in the hinterland.

Expansion

The South West Port also undertakes regular upgrade and modernization exercises. In April 2016, it replaced the existing mobile harbor cranes with higher capacity cranes as the existing cranes had already completed more than 23,000 hours of operations. The new cranes are more efficient and can discharge coal at a rate of 40,000 metric tons per day.

We have installed in-motion wagon loading systems with ancillary facilities such as conveyers and silos.

Plans to invest in additional mechanical equipment for handling heavier steel coils are also underway; the proposed capital expenditure is approximately ₹100 million.

We are currently handling all of our cargo at the South West Port through railway rakes. We expect connectivity at the South West Port to improve soon with the Government of Goa planning to double the tracks of the Vasco-Londa railway line. The increased availability of railway rakes is expected to facilitate faster cargo evacuation.

License Agreement

We hold 74% of the total shareholding in South West Port Limited, Starlog Enterprises Ltd holds 10%, Dhamankhol Engineering and Constructions Private Limited holds 4.9%, Tranquil Homes and Holdings Private Limited holds 6.2% and Nalwa Chrome Private Limited holds 4.9%. South West Port Limited has been granted an exclusive license for designing, engineering, financing, constructing, equipping, operating, maintaining, replacing and revamping/repairing of the terminal for a period of 30 years commencing from the date of handing over of the licensed premises, pursuant to a license agreement, dated April 11, 1999 entered into between Board of Trustees for Mormugao Port and ABG Goa Port Private Limited.

As per the license agreement, South West Port Limited has the following rights and entitlements:

- To hypothecate and/or create a charge on and/or create other encumbrances on and/or mortgage the assets created or provided for the limited purpose of offering such assets as collateral in favor of the lenders for securing payments of interest, and repayments of principal of any loan advanced by such lenders.

- To recover berth hire charges and all cargo handling charges.

South West Port Limited, as consideration, was liable to pay an annual license fee of ₹15,225,840, for the first year of the license period, within 30 days from the date of award of license. Additionally, the South West Port Limited was also liable to pay a premium equivalent to one year's license fee, amounting to ₹15,225,840, on or before the date of award of license. From the second year of the license period, the license fee provided under the agreement shall be subject to an upward revision by 5% of the fee paid in the preceding year, at the end of every year. The agreement stipulates that the agreement shall be deemed cancelled if the licensee fails to make these payments within the stipulated time.

Dharamtar Port, Dolvi, Maharashtra

An existing port and terminal at Dolvi in the Raigad District of Maharashtra, the Dharamtar Port is located approximately 23 nautical miles away from Mumbai Harbor by sea route on the Amba River. The Dharamtar Port is an all-weather riverine facility currently handling bulk and break-bulk cargo for a substantial portion of JSW Steel's Dolvi and Kalmeshwar steel plants' export-import requirements, as well as those of the nearby JSW Cement plant at Dolvi. The cargo handled at the facility includes iron ore pellets, lumps, fines, coking coal, limestone, dolomite, finished steel products, clinker, and slag.

Located on the Amba River, the Dharamtar Port is sheltered from the vagaries of the coastal weather by being approximately 16 km inland from the mouth of the river. The Dharamtar Port has nine berths with a depth of 5.0 meters at the berth pocket and 3.5 meters at the Amba River channel, and the capacity to handle 34 MMTPA. Details of the infrastructure of the terminal are set out below:

Particulars	**Terminal at Dharamtar Port**
Cargo type	Iron bearing raw materials, coal bearing raw materials, fluxes, clinkers, slag, muriate of potash, and steel finished goods
Draft	5.0 meters at berth pocket and 3.5 meters at the Amba River channel
Vessel size	8,000 DWT
Berths	9
Berth length	1,044 meters
Cranes	5 barge unloaders

Infrastructure

The Dharamtar Port jetty is equipped with five berths in line, two mobile harbor cranes, two barge unloaders with handling capacity of 550 metric tons per hour each, three conveyor belts, a weighbridge with capacity of 100 metric tons, a transshipment stacking area of 10 acres, and 20 barges with capacities ranging from 2,500 DWT to 8,000 DWT.

The Dharamtar Port has a well-equipped customs notified warehousing space. The Dharamtar Port is focused on the needs of the JSW Steel's Dolvi plant, with all cargo being dry bulk cargo. The Dharamtar Port has facilities for handling bulk and break bulk cargo. Top imports include limestone, iron ore pellets, lumps and fines, dolomite, hot briquette iron, direct reduced iron, coke, pulverized coal injection coal, and scrap iron.

Port handling capacity is approximately 90,000 metric tons per day for iron bearing raw materials. The Dharamtar Port jetty has a length of 1,044 meters, with a draft of 4.5 meters at high tide and 3 meters at low tide.

Connectivity

The Dharamtar Port is located in close proximity to the Mumbai and Jawaharlal Nehru Port Trust (Nhava Sheva harbors). The Dharamtar Port is also located within close proximity of national highways and the Konkan railway network.

Lease Deed

JSW Dharamtar Port Private Limited ("**DPPL**") entered into a 30 year (from December 3, 2014 to December 2, 2044) lease deed with the Maharashtra Maritime Board on August 20, 2018 pursuant to which DPPL received the lease to 1,060 meters (along with 100,413 sq.m. of inter tidal area), in addition to the earlier 690 meters of land leased through a previous deed in 2006, for the waterfront at village Vave, Taluka – Pen, District Raigad, Maharashtra, for the purpose of expansion of the existing captive jetty

facility (on build-operate-transfer basis) to facilitate cargo handling related to our steel plant situated at village Dolvi, District Raigad, Maharashtra. This expansion successfully increased the capacity of the steel plant from initial 5 MMPTA to 10 MMPTA. Under this lease deed, DPPL is within its rights to carry out construction and operation, maintenance, and management of the captive jetty facilities on the land in accordance with terms and conditions as specified by the Maharashtra Maritime Board and in compliance with environmental and CRZ clearance requirements for which necessary permissions are obtained by DDPL, including any other departmental permits. DPPL is permitted to handle third party cargo if within 25% of the total cargo handled by the captive jetty in a year and the charges applicable on the same stands at 1.5 times the charges as specified in the schedule of rates for the captive jetty.

DPPL is liable to pay land taxes, cesses, levies, dues or any other charges as applicable in respect of, and/or relating to the leased property, its maintenance and development including any structures that may be constructed by the collector, the municipality or any other statutory authority. The leased land cannot be transferred, sold, assigned, sub-leased, licensed or otherwise encumbered or suffered a lien without the prior approval of the Maharashtra Maritime Board in writing. Additionally, change in our shareholding in DPPL which results in combined shareholding of the existing shareholders and promoters to be below 51% of the total shareholding without the prior approval of the Maharashtra Maritime Board, stands as a breach of this lease deed, with a requirement of any other shareholding change which does not lead to a reduction in the combined shareholding of the existing shareholders and promoters below 51% to be informed to the Maharashtra Maritime Board within three months' time.

Paradip Port, Odisha

Paradip Iron Ore Terminal

The Paradip Iron Ore Terminal, owned by JSW Paradip Terminal Private Limited, located in Paradip Port, is a state-of-the-art fully mechanized terminal with a capacity of 10 MMTPA. The terminal is strategically situated 210 nautical miles south of Kolkata and 260 nautical miles north of Visakhapatnam, with access to the hinterlands of the iron ore and coal rich belts of Odisha, Chhattisgarh and Jharkhand. Currently, the port is fully operational with a 370 meter berth. It is built to handle capesize vessels for iron ore and pellet exports, and can load at a rate of 100,000 metric tons per day.

The terminal has two shiploaders, each with a capacity of 7,000 metric tons per hour. It also has an 800,000 MMT cargo storage yard with rotary and tandem wagon tipplers to enable fast rake unloading.

Concession Agreement

We hold 74% of the total shareholding in JSW Paradip Terminal Private Limited ("**JSWPTPL**") and South West Port Limited holds 26% of the total shareholding. JSWPTPL has been granted an exclusive license for designing, engineering, financing, constructing, equipping, operating, maintaining, and replacing the project facilities and services such as the berth, the equipment such as ship loaders, stackers and reclaimers; and other related facilities for a period of 30 years commencing from the date of award of concession, pursuant to a concession agreement, dated May 29, 2015 entered into between Board of Trustees for Paradip Port and JSWPTPL for development of a new iron ore berth for handling of iron ore exports at Paradip Port on BOT basis.

As per the concession agreement, JSWPTPL has the following rights and entitlements:

- To enter upon, occupy and use the project site and port assets, being the land for the project which shall include the waterfront in accordance with the concession agreement.

- To recover tariff from the users of the project facilities and services.

JSWPTPL shall, as consideration for the use, in its capacity as a bare licensee of the project site in the port's assets, pay to Paradip Port a sum of ₹9 million annually in advance. Additionally, JSWPTPL shall pay to the Paradip Port royalty per month equivalent to 21.0% of the gross revenue chargeable by JSWPTPL. When the concession agreement is terminated, all rights of JSWPTPL in the project site and/or port's assets shall cease to exist.

Paradip Coal Exports Terminal

In Fiscal Year 2015, we secured the contract for the redevelopment of the existing EQ1, EQ2 and EQ3 terminals at Paradip Port to handle coal exports on a Build, Own and Transfer ("**BOT**") basis. We entered into the concession agreement in May 2016 and received the letter of award in February 2016, following which we commenced construction and mechanization of the terminal. We had initially anticipated that the terminal would become operational during Fiscal Year 2019, however, due to delays in connection with the COVID-19 pandemic as well as technical issues, the project was completed in August 2021. The terminal received its provisional commercial operation certificate on August 16, 2021, the completion certificate on December 28, 2021, and the commercial operation date was September 12, 2021. The terminal has a handling capacity of 30 MMTPA.

Paradip Coal Export Terminal is a deep draft port with a quay length of 686 meters and a draft of 15 meters, which allows for handling of larger capesize vessels through mechanized handling. The terminal was predominantly developed for exporting/coastal movement of domestic coal from the Mahanadi Coal Fields. We expect the Paradip Coal Export Terminal to open up avenues for coastal shipping by Handymax to capesize vessels through achieving economies of scale for larger cargo sizes such as minicape size vessels of 110,000 DWT as compared to handling the cargo in smaller vessels, which requires relatively more time and effort.

The terminal is equipped with a rail receiving station for bottom discharge wagons, transporting, stacking and reclaiming of cargo and loading. The terminal has two 6x6 track hoppers for receiving cargo through bottom discharge of wagons, mechanized conveying, stacking and reclaiming using a state-of-the-art stacker and reclaimers, and two shiploaders with a capacity of 7,000 MMT each for loading two vessels simultaneously.

Connectivity

Paradip Port is connected to National Highway NH 5 through a dedicated four-lane road. Our terminals are also connected to the Paradip Port Trust's rail network within the port area (broad-gauge double line tracks), which in turn is connected to East Coast Railways network leading to Cuttack, Odisha.

Concession Agreement

We hold 74% equity shareholding in Paradip East Quay Coal Terminal Private Limited ("**PEQCTPL**"), with South West Port Limited holding 26% of the total shareholding. PEQCTPL has been granted an exclusive license for designing, engineering, financing, constructing, equipping, operating, maintaining, and replacing the project facilities and services such as the berth, the equipment such as ship loaders, reclaimers, and stacker cum reclaimer; track hoppers, stacking area, conveyor network, ancillary facilities like building, work stations, roads, communication systems, and others, for a period of 30 years commencing from the date of award of concession, pursuant to a concession agreement, dated May 2, 2016 entered into between Board of Trustees for Paradip Port Trust and PEQCTPL for mechanization of EQ1, EQ2, and EQ3 berths at the Paradip Port on BOT basis.

As per the concession agreement, PEQCTPL has the following rights and entitlements:

- To enter upon, occupy and use the project site and port assets, being the land for the project of approximate area of 373,464 sq.m. which shall include stacking area of about 145,325 sq.m. and balance area for other facilities for the purpose of implementing the project and provision of project facilities and services pursuant thereto in accordance with the concession agreement.

- To recover tariff from the users of the project facilities and services.

PEQCTPL shall, as consideration for the use, in its capacity as a bare licensee of the project site in the port's assets, pay to Paradip Port Trust a sum of ₹23.3 million annually subject to an escalation of 2% per annum compounded annually. PEQCTPL shall also pay to the Paradip Port Trust royalty per month equivalent to 31.7% of the gross revenue chargeable by PEQCTPL. When the concession agreement is terminated, all rights of PEQCTPL in the project site and/or port's assets shall cease to exist.

New Mangalore Port, Mangalore, Karnataka

Mangalore Coal Terminal

Mangalore Coal Terminal, owned by Mangalore Coal Terminal Private Limited ("**MCTPL**") (formerly known as Chettinad Mangalore Coal Terminal Private Limited), is located in New Mangalore Port Trust ("**NMPT**"), a modern all-weather port situated at Panambur, Mangalore on the west coast of India, 170 nautical miles south of Mormugao Port and 191 nautical miles north of Cochin Port.

Mangalore Coal Terminal is a state-of-the-art fully-mechanized terminal with a capacity of 6.7 MMTPA. The terminal has berth length of 325 meters, can accommodate vessels up to 14 meters draft, and handle coal, coke, limestone, and dolomite cargo. The terminal's key customers are the power plants located around the hinterland belts of Karnataka and Tamil Nadu.

Key equipment at the coal terminal include:

- two unloaders with 4,000 metric tons per hour capacity;

- 3.3 km of conveyors with 4,000 metric tons per hour capacity;

- two stacker reclaimers, with stacking capacity of 4,000 metric tons per hour and reclaiming capacity of 4,000 metric tons per hour;

- 26 acres of storage space separated into 12 stackyards;

- five weighbridges of 100 MMT to 120 MMT capacity each and ability to turnaround trucks in 1.5 hours; and

- capacity to load seven rakes per day and wagon loading time of two hours per rake.

Concession Agreement

Chettinad Builders Private Limited holds 64% of the total shareholding in MCTPL, while South India Corporation Private Limited and Chettinad International Coal Terminal Private Limited hold 10% and 26% of the total shareholding in MCTPL, respectively. MCTPL has been granted an exclusive license for designing, engineering, financing, constructing, equipping, operating, maintaining, and replacing the project/project facilities and services for a period of 30 years commencing from the date of award of concession, pursuant to a concession agreement, dated March 18, 2016, entered into between MCTPL and

Board of Trustees for New Mangalore Port for mechanization of Berth 12 for providing equipments for handling bulk cargoes at New Mangalore Port on Design, Build, Finance, Operate and Transfer ("**DBFOT**") basis.

As per the concession agreement, MCTPL has the following rights and entitlements:

- To enter upon, occupy and use the project site and port's assets for the purpose of implementing the project and provision of project facilities and services pursuant thereto in accordance with the concession agreement.

- To recover tariff from the users of the project facilities and services.

MCTPL shall, as consideration for the use, in its capacity as a bare licensee of the project site in the port's assets, pay to New Mangalore Port the license fee for land area and water area. License fee for land area shall be equal to the product of extent of land area in sq.m. and license fee per sq.m. per year (derived with 2% compounded annual increment) corresponding to a base license fee with an additional 10% surcharge on custom notified areas. License fee for water area shall be equal to the product of extent of water area in sq.m. and license fee per sq.m. per year (derived with 2% compounded annual increment) corresponding to a base license fee with an additional 10% surcharge on custom notified areas.

MCTPL shall pay to the New Mangalore Port royalty per month equivalent to 31.0% of the gross revenue chargeable by MCTPL. When the concession agreement is terminated, all rights of MCTPL in the project site and/or port's assets shall cease to exist.

Mangalore Container Terminal

We entered into a Concession Agreement with NMPT to develop and operate its first container terminal project at the New Mangalore Port for 30 years under a public-private-partnership model.

Upon commissioning (expected in the fourth quarter of Fiscal Year 2022), the container terminal will have a capacity of 4.2 MMTPA, including 0.6 MMTPA for bulk, and will handle containers including fertilizers, limestone and gypsum cargo. The container terminal is expected to be handling entirely third-party cargo with a volume of 150,000 TEUs with a CAGR of approximately 18% in the last six years. The container terminal will have a quay length of 350 meters and accommodate vessels up to 9,000 TEU. The container terminal will have a backup storage area of 15.5 hectares for storage of containers. Our target annual capacity for the Mangalore Container Terminal is 6.0 MMTPA.

Equipment at the container terminal include three mobile harbor cranes, eight reach stackers, one empty container handler and one mobile hopper.

Connectivity

Mangalore Port is connected to NH 48 (Bangalore-Mangalore), NH 17 (Cochin-Goa-Mangalore) and NH 13, which permits our terminals to connect to the southern part of India through Mangalore, Kerala State and Chennai.

Concession Agreement

Mangalore Container Terminal Private Limited has been granted an exclusive license for designing, engineering, financing, constructing, equipping, operating, maintaining, and replacing the project facilities and services for a period of 30 years (commencing from the date of award of concession), pursuant to a concession agreement, dated January 22, 2020, entered into between Mangalore Container Terminal Private Limited and Board of Trustees for New Mangalore Port Trust, in exchange of, (i) license fee, which shall stand equivalent to the product of extent of land area in sq.m. and license fee per sq.m. per year (derived with 2% compounded annual increment) corresponding to a base license fee, with an additional 10% surcharge on custom notified areas; (ii) royalty fee of ₹951 per TEU of container handled, on a monthly basis, and (iii) performing all obligations as set out in the concession agreement.

As per the concession agreement, Mangalore Container Terminal Private Limited has the following rights and entitlements:

- To enter upon, occupy and use the project site and port's assets for the purpose of implementing the project and provision of project facilities and services pursuant thereto in accordance with the concession agreement.

- To recover tariff from the users of the project facilities and services as notified by TAMP under Section 48, 49 and 50 of the MPT Act of such other competent authority under applicable law, with additional collection of cesses and charges.

When the concession agreement is terminated, all rights of Mangalore Container Terminal Private Limited in the project site and/or port's assets shall cease to exist.

Ennore Port, Ennore, Tamil Nadu

Ennore Coal Terminal

Ennore Coal Terminal, Ennore, owned by Ennore Coal Terminal Private Limited ("**ECTPL**") (formerly known as Chettinad International Coal Terminal Private Limited), is located in Ennore Port in Tamil Nadu.

Ennore Coal Terminal is a state-of-the-art fully mechanized terminal with capacity of 8 MMTPA. The terminal has berth length of 347.5 meters, can accommodate vessels of up to 16 meters draft and handles coal and coke cargo.

Key equipment at the coal terminal include:

- four owned locomotives for placement of rakes;

- 7.5 km closed conveyor;

- two stacker reclaimers, with stacking capacity of 3,500 metric tons per hour and reclaiming capacity of 2,000 metric tons per hour;

- 12 stackyards with size of 280 meters by 40 meters each; and

- two grab unloaders with 1,750 metric tons per hour capacity each.

License Agreement

Chettinad International Coal Terminal Private Limited (now ECTPL) entered into a license agreement with Ennore Port Limited in September 2006 wherein ECTPL, upon a non-refundable, irrecoverable payment of upfront development charge of ₹40,000,000, received a license to design, engineer, finance, construct, operate, maintain, market and transfer a common user coal terminal on build-operate-transfer basis on the licensed premises at the Ennore Port. The duration of the license agreement is 30 years commencing from the date of award of license. ECTPL under the agreement is liable to pay, on an annual basis from the day of first extension of cargo handling services to users of the terminal, the revenue share or the minimum annual guaranteed revenue for the respective year of commercial operation (as defined in the license agreement), whichever is higher. ECTPL also entered into a lease agreement with Ennore Port Limited pursuant to the license agreement.

Following are rights and entitlements of ECTPL under the license agreement:

- Designing, engineering, financing, constructing, operating, maintaining, marketing and transfer of the terminal, being the licensed premises, the berths, storage area, items of equipment, plant and any other facilities during the pendency of the agreement.

- Preferential and priority berthing/ousting right to one or more shipping lines or vessel owners/ operators to optimize the use of the facilities provided during the pendency of the agreement.

- Right to sub-contract certain operational function/facilities and/or maintenance of the terminal or any part thereof to third party upon approval, or hypothecate and/or create charge and/or create other encumbrances and/or mortgage assets created or provided by ECTPL.

- Free right to fix and collect tariff from users for the provision of facilities. This right precedes tariff charged by Ennore Port Limited on prevailing port's scale of rates and the statement of terms and conditions thereof upon all services rendered and facilities provided by ECTPL.

Ennore Bulk Terminal

Ennore Bulk Terminal, owned by Ennore Bulk Terminal Private Limited (formerly known as Chettinad International Bulk Terminal Private Limited), is located in Ennore Port in Tamil Nadu.

Ennore Bulk Terminal is a state-of-the-art fully-mechanized terminal with capacity of 2 MMTPA. The terminal has berth length of 270 meters, can accommodate vessels up to 14.5 meters draft and handles all clean cargo other than coal, iron ore, POL and automobile units.

Key equipment at the bulk terminal include:

- two mobile harbor cranes;

- 700-meter long fully concreted dedicated railway siding;

- 100,000 sq.m. of storage space; and

- four covered warehouses with aggregate size of 16,800 sq.m.

Connectivity

Ennore Port is connected to National Highways NH 4, NH 5 and NH 45 and a Dedicated Freight Corridor between Chennai and Bangalore/Mumbai and Delhi/Kolkata. Our terminals are connected by rail to the Chennai Gudur Section (North-East Line) of the Southern Railway. The connection involves two lines – the South Connectivity Line and the North Connectivity Line, both located in the terminal area, and another a 6 km rail line connecting to the Chennai-Kolkata line.

Concession Agreement

Southern Bulk Terminal Private Limited ("**SBTPL**") holds 90%, while South India Corporation Private Limited holds the remaining 10% of the Ennore Bulk Terminal Private Limited ("**EBTPL**"). The EBTPL has been granted an exclusive license for designing, engineering, financing, constructing, equipping, operating, maintaining, and replacing the project/project facilities and services for a period of 30 years commencing from the date of award of concession, pursuant to a concession agreement, dated March 28, 2014, entered into between Kamarajar Port Limited and the Chettinad International Bulk Terminal Private Limited (now EBTPL), in exchange of, (i) license fee equivalent to a sum of ₹10,665,000 per annum, worked out in prevailing scale of rates which is subject to escalation as notified by the concessioning authority; (ii) royalty fee, equivalent to 36% of the gross revenue chargeable by the concessionaire, and (iii) performing all obligations as set out in the concession agreement.

As per the concession agreement, EBTPL has the following rights and entitlements:

- To offer preferential or priority berthing to any one or more shipping lines or vessel owners/operators to optimize the use of the project facilities and services, subject to applicable laws and guidelines by the government.

- To institute proceedings, with assistance from the concessioning authority, for recovery of unrealized charges, if any, in its name and/or defend any claim in respect of such cargo by the consignee/owners.

- To recover tariff from the users of the project.

Fujairah Terminal, Fujairah, UAE

Our first international agreement with Fujairah Sea Port Authority came into effect in Fiscal Year 2017 for five years. The agreement has been further extended from Fiscal Year 2022 to Fiscal Year 2027.

The Port of Fujairah is located in Fujairah, UAE. Fujairah Port's strategic location near India's western coast leads to greater utilities for the cement and steel companies for limestone and aggregate imports. The Fujairah Port handles variety of cargo, including dry and liquid bulk, crude, break bulk, and containers. The total cargo volume handled at Fujairah Port was 22.1 MMT, 17.9 MMT and 13.2 MMT for Fiscal Years 2019, 2020 and 2021. The decrease in total cargo volume handled since Fiscal Year 2019 has been primarily due to a slowdown in the real estate market in the Middle East and restrictions with respect to Qatar where aggregates are exported from Fujairah Terminal.

We have an O&M contract for two terminals and have been steadily achieving higher capacity utilization at this facility since we began our operations. As of September 30, 2021, the Fujairah Terminal had a capacity of 24 MMTPA.

O&M Agreement

An O&M agreement was entered into between the Port of Fujairah and our Company on November 8, 2016 for the exclusive operation and maintenance of Berth 5 and Berth 6 at the Fujairah Sea Port undertaken by us for a term of five years from the execution date. Through an addendum to the O&M agreement signed on August 11, 2021, the term of the agreement was extended up to March 31, 2022. Under the agreement, we are liable to achieve bulk cargo handling capacity of 24 MMTPA upon the Fujairah Sea Port.

Pursuant to obtaining all permits, approvals and licenses to operate in the Emirates of Fujairah, the following are the rights of performance of services under the agreement:

- Access to the Fujairah Sea Port's relevant infrastructure as may be required for the purpose of performance of services subject to the regulations of the Fujairah Sea Port.

- An exclusive right to perform services at the Fujairah Sea Port. However, the Fujairah Sea Port shall have the right to utilize Berth 5 while the shiploaders or conveyors are non-operational for more than 48 hours due to maintenance, repair or fault.

- Priority will be given to load cargo at Berth 5 and Berth 6 over grab and lift in other berths in case the feed stock at the stock yard is inadequate.

Competition

We compete primarily against Non-Major Ports and Major Ports of India. Competition is based primarily on the characteristics and location of the ports, including capacity, congestion, ability to berth large vessels, proximity and connectivity to inland cargo centers and refineries. We believe that our key competitive advantages are our infrastructure, cost advantage relative to other ports in the region, port characteristics such as deep drafts, longer and larger berths, dedicated and expandable back-up areas (that is, areas for internal movement of cargo), quicker turnaround time, integrated services and connectivity to inland cargo centers and our ability to attract and retain highly experienced employees.

Sales and Marketing

We prepare and implement a comprehensive sales and marketing plan. The primary purpose of our sales and marketing plan is to promote our port services business and to develop a better understanding of the needs and requirements of our customers. We are focused particularly on securing long-term contractual arrangements and pursuing strategic relationships with our customers.

Our sales and marketing teams are organized to handle existing customer relationships, new customer sales, corporate marketing and strategic partnerships. These teams are based at the ports and at important business centers, such as Mumbai and Delhi, where port users' decision makers are based. These teams are supported by service and cargo experts who create or customize service offerings to address specific customer needs, as well as a team of sales support professionals. Our sales teams work together with the relevant service or cargo experts and our sales support team to pursue prospective customers.

Information Technology and Computer Systems

We believe that information technology and digital services plays an important role to enable efficient operations. We serve our customers through state-of-the-art technologies, competitive infrastructure coupled with a high level of automation. We have implemented industry and trade specific software to extract real-time information at each of our facilities providing port services. In particular, we use iPortman for our port management system, Oracle for our database requirements and Java for front-end planning, including for example, vessel planning and yard planning, operations, marine, invoicing and online reports, which we further provide to our customers. We believe that through advanced technology, we will be able to maximize our efficiency. We use SAP Financial Accounting and Controlling (FICO) Module version ERP Central Component (ECC) 6.0, SAP HANA and SAP Ariba (Materials Management Module for Commercial) for financial transaction management and SAP Plant Maintenance (PM) to maintain our equipment. We also have online integration between iPortman and SAP to upload financial transactions. These information technology and computer systems help us optimize costs and improve performance. We harness technology for all stages of project execution such as bidding, design, project management, operations, collaborations and closing.

Employees

We had 544 full-time employees as at September 30, 2021. We view our employees as our greatest asset and believe we have created a work environment that ensures their well-being. We endeavor to be an "employer of choice" by fostering an environment of individual goal setting, continuous improvement, health and safety awareness and corporate sustainability. In an ever-changing business environment where people are the key differentiators, it is essential to have credible, transparent and uniform people management practices. In order to adapt to the changing industry reality, our people management practices are continually reviewed and renewed for relevance and employee friendliness.

We implement a multi-pronged approach on organizational development to attract, retain and develop talent. We believe in infusing talent across the organization and, as a sustainable measure, we believe in inducting people at a very young age. In our pursuit to attract and build home-grown talent, we induct talent from various engineering and management institutes on a regular basis. New recruits are developed

through various in-house training programs to support our growth trajectory. We also operate various training programs at our plant locations with internal faculties to impart technical and behavioral training for employees as well as associates, improve productivity and foster a safe working environment. We invest continuously in building and enhancing our technical capabilities. As a part of this effort, we facilitate employees to acquire skills through participation in sponsored programs both in India and abroad. Simultaneously, we also provide multiple learning and development opportunities to our employees to acquire new skills and knowledge and enhance their capabilities.

Properties and Offices

Our registered and corporate office is located at JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India. We pay sharing charges to the JSW Group in connection with our use of this office.

Insurance

We are covered by a comprehensive port package insurance policy for losses suffered by us, our customers and third parties caused by accidents, fire, floods, riots, strikes and natural calamities. This insurance policy includes coverage for damage to our port facilities, equipment, machinery, buildings, other properties and loss of profits. We believe that our properties and business operations are well covered with adequate insurance and with commercially reasonable deductibles and limits on coverage, which are normal for the type and location of the assets and properties to which they relate. See also "*Risk Factors — Risks Relating to our Business – We may not have adequate insurance to cover all losses we may incur in our business operations or otherwise.*"

Occupational Health and Safety

We are committed to providing a healthy and safe working environment for the employees, contractors, customers and visitors on premises and where impacted by our operations. We aim to be compliant with all applicable health and safety legal requirements, to achieve a "zero harm" injury and occupational illness-free workplace and to ensure that best practice health and safety management standards are implemented and maintained across our operations. All employees are expected to take ownership of their safety and are encouraged and empowered to report any concerns. The leadership team has the overall responsibility for ensuring that the correct policies, procedures and safeguards are put into practice. This includes making sure that each of our workers has access to appropriate information, instruction, training and supervision. We are committed to enhancing a culture of safety and have implemented various health and safety initiatives, including carrying out regular safety observations, conducting regular contractor field safety audits to assess any gaps and take corrective action, providing safety training and drills and launching our safety HERO programme, which have resulted in the reduction of the lost time injury frequency rate from 0.20 in Fiscal Year 2020 to 0.19 in Fiscal Year 2021 and total recordable injury frequency rate from 1.02 in Fiscal Year 2020 to 0.19 in Fiscal Year 2021. Our Dharamtar Port received a gold award from Grow Care India's OHS Award 2021 for its consistent adoption of best safety practices and outstanding achievements in occupational health and safety in the Indian port sector.

Corporate and Social Responsibility

We are committed to empowering communities and creating sustainable livelihoods. This is achieved through the thought leadership and implementation by the JSW Foundation, the organization responsible for the corporate and social responsibility ("**CSR**") mandate for the JSW Group. We have consistently invested in initiatives that help improve living conditions, promote social development, address social inequalities and environmental issues, support rural development projects and initiatives focused on health and nutrition, education, and livelihood and skill development, among others. Our interventions are bifurcated into Direct Influence Zone ("**DIZ**") and Indirect Influence Zone ("**IIZ**"), depending on the location of our facilities and the communities we serve. We aim to expand the scope of our DIZ according to the expansion of our operations. Our need assessment for social interventions involve analyzing the quantitative and qualitative indicators to provide measurable impact. Our initiatives are focused on benefiting communities through collaborations with government bodies and civil societies. We regularly

monitor our initiatives across all locations to ensure the effectiveness of our interventions. Examples of our social interventions include the following:

- *Health and nutrition*:
    - providing regular community health check-ups, with a particular focus on eye care to address preventable blindness due to cataracts, and oral cancer;
    - providing counselling regarding substance addiction, HIV/AIDS;
    - providing 24/7 referral transport facility at state highways; and
    - setting up model Anganwadi centers ("**AWCs**") to facilitate the growth and development of children.
- *Education:*
    - creating a holistic platform for learning with digital classrooms, science labs, and rural libraries;
    - providing early childhood education;
    - providing life skills education; and
    - providing need-based infrastructure upgrades.
- *Water, Environment and Sanitation*:
    - providing safe drinking water in DIZ villages through tankers;
    - providing waste management services, including collection, segregation, and disposal;
    - organizing tree plantation drives; and
    - providing an online air monitoring station.
- *Livelihood and Skills Enhancement*:
    - facilitating the development of skills to enhance employability;
    - supporting livelihood projects such as the crab fattening, cage fishing, and ornamental fish breeding programme; and
    - supporting the development of micro-enterprises run by women, such as baked goods, food stalls, files and folders and fish products.

Sustainability

The JSW Group has developed a sustainability vision ("**Sustainability Vision**") that guides the JSW Group's social, ethical, and environmental responsibilities. The JSW Group's Sustainability Vision is that: we are able, both now and in the future, to demonstrably contribute in a socially, ethically, and environmentally responsible way to the development of a society where the needs of all are met, and to do so in a manner that does not compromise the ability of those that come after use to meet the needs of their own, future generations.

The JSW Group's commitment to deliver its Sustainability Vision is supported by the JSW Group's sustainability strategy ("**Sustainability Strategy**"), which is designed based on seven key elements of leadership, stakeholder engagement, communication, planning, improvement, monitoring, and reporting.

The JSW Group has identified the following as focus areas after studying the magnitude of impact and the level of contribution we make to each one of them:

- *Environment*: climate change, energy, resources, water resources, waste, wastewater, air emissions, biodiversity, sustainable mining, and local considerations.

- *Social*: social sustainability, supply chain sustainability, employee well-being, indigenous people, and cultural heritage.

- *Governance*: human rights and business conduct, including anti bribery and corruption, conflicts of interest, and fair business practices.

The JSW Group strives to ensure that the Sustainability Strategy is implemented consistently throughout its businesses and will continue to operate effectively throughout all of its operations. To this effect, the JSW Group is developing a comprehensive sustainability framework ("**Sustainability Framework**") that takes into consideration the key principles of various fundamental national and international guidelines and frameworks, such as NGRBC, UN SDGs, IFC Standards, OECD Guidelines, UN Guiding Principles on Business and Human Rights, ISO standards, and the UN Global Compact.

As part of our efforts to deliver the Sustainability Vision, our Board of Directors have approved and we have adopted the policies relevant to our operations and activities, including climate change, employee health, safety and wellbeing, energy, water resource management, waste water management, waste management, air emissions, biodiversity, local considerations, social sustainability, human rights, indigenous people, cultural heritage, labor practices and employment, business ethics, and making our world a better place. Our sustainability interventions broadly fall under the above 17 focus areas of the JSW Group and are also managed and governed through the Sustainability Framework. We strive to achieve long-term value creation for all stakeholders. In addition to focusing on achieving best-in-class financial and operational performance, we are committed to strengthening our environmental, social and governance ("**ESG**") performance across our operational ecosystem and are focused on value creation for communities through focused interventions. Our sustainability roadmap is based on formulating appropriate policies, conforming to regulatory norms, making regular disclosures, setting targets of minimizing our environmental footprint, and strengthening corporate governance, to meet those targets.

In particular, we have identified climate change management as a key focus area. As an integral part of the JSW Group, one of India's leading conglomerates within the steel, energy, cement, and infrastructure sectors, many of our activities result in the generation of greenhouse gases ("**GHG**") that are emitted into the atmosphere. We have always sought to ensure our actions and decisions lead to strengthening our sustainability approach and have established and adopted a "Climate Change Policy" in furtherance of our commitment to:

1. preventing the causes of climate change;

2. mitigating and adapting to the impacts of climate change; and

3. creating resilience to climate change.

To reduce our contributions to the causes of climate change, we have set specific short term carbon reduction targets in relation to our GHG Emission Intensity (kg CO_2e/metric ton of cargo handled) for our direct (Scope 1) GHG emissions (as defined in GRI Standards, GRI 305: Emissions 2016, 305-1) and energy indirect (Scope 2) GHG emissions (as defined in the GRI Standards, GRI 305: Emissions 2016, 305-2) based on the base year of Fiscal Year 2021. The GHG Emission Intensity for our six operating

locations in India for the base year of Fiscal Year 2021 was 1.25 kg CO_2e/metric ton of cargo handled. As of the date of this Offering Memorandum, we do not consider our other indirect (Scope 3) GHG emissions to be material enough for consideration as a target for reduction. We have aligned our climate change targets to India's Nationally Determined Contribution targets for reducing emission intensity under the Paris Agreement. The overall target for reduction of GHG emissions, approved by our Board of Directors, is (i) a 15% reduction of our GHG Emission Intensity by Fiscal Year 2026 from the base year of Fiscal Year 2021 to achieve a GHG Emission Intensity of 1.06 kg CO_2e/metric ton of cargo handled and (ii) a 35% reduction by Fiscal Year 2031 from the base year of Fiscal Year 2021 to achieve a GHG Emission Intensity of intensity of 0.81 kg CO_2e/metric ton of cargo handled. The measures we intend to implement to achieve such targets include:

- progressively increasing the portion of our electricity requirements from renewable energy sources, including converting from existing thermal connected grid supply to renewable energy sources at all our ports and terminal operations;

- progressively replacing old equipment on our sites with new, efficient options, including replacing the diesel-operated fleet used in our operations to electric vehicles;

- adopting innovative, resource-efficient, and low-carbon technologies and solutions, including utilization of mechanized cargo handling, motion sensor-based water mist spray, dry fog dust suppression system for containing any dust emission, and mechanized road sweeping machines, among others, and exploring alternative fuels such as biodiesel;

- working with our suppliers and customers to explore all avenues to reduce emissions; and

- developing improvement plans to address opportunities identified to improve process and energy efficiency based on global benchmarking processes.

We also have the following targets for other key focus areas:

- *biodiversity*: no net loss for biodiversity;

- *wastewater management*: aim for zero liquid discharge;

- *water resource management*: reduction in freshwater consumption; and

- *waste management*: aim for 100% solid waste utilization.

Environmental care is similarly an important component of our sustainability initiatives, and we accordingly seek to utilize natural resources prudently. Our energy intensity is 133 GJ/₹10 million (133 GJ/U.S.$134,670.88) of revenue. In particular, in Fiscal Year 2021, 42.6% of our cargo evacuation is conducted through coastal and conveyor routes and 25.5% through railways, thus reducing road transport and consequent reduction of emissions considerably.

We employ the following environment-friendly initiatives across all our facilities:

- water sprinkling, dust suppression, and firefighting systems, are included in the mechanical material handling system;

- closed conveyors deployed and all the transfer towers are appropriately covered, to avoid dust particles emission to the atmosphere;

- windshields are used to protect cargo areas from dust particles in the air;

- covered storage yards and windshields around open yards for bulk materials are used to prevent fugitive emissions; and

- monitoring of air quality done with continuous ambient air quality monitoring station.

We are conscious of the risks related to climate change, including coastal location risks due to rising sea levels, and have developed a "Disaster Management Plan" for each of our facilities, which forms part of the submission for environmental clearance of the facility by the MoEF. Rising sea levels due to climate change pose both an opportunity and risk to all seaport operations, which we continue to study in a phased manner by applying TCFD recommendations.

Board of Directors

The Articles of Association provide that the minimum number of Directors shall be three and the maximum number of Directors shall be 15. Our Company currently has six Directors. Our Company may, subject to the provisions of the Articles of Association and the Companies Act, alter the maximum number of Directors pursuant to a special resolution passed by Company's shareholders.

Not less than two-thirds of the total number of Directors shall be appointed as Directors who are liable to retire by rotation. At our Company's annual general meeting, one-third of the Directors for the time being who are liable to retire by rotation shall retire from office.

The Articles of Association permit that, subject to our Company's agreement and the terms of the relevant financing documents, banks, financial institutions, corporations or such other financing entities to appoint Directors to the Board as their nominee while any loan amount remains outstanding to them from our Company or for underwriting shares or debentures or other securities of our Company or as long as any guarantee given by such entity in respect of any financial obligation or commitment of our Company remains outstanding.

The quorum for meetings of the Board of Directors is one-third of the total number of Directors, or two Directors, whichever is higher, provided that, where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of remaining Directors present at the meeting, being not less than two, shall be the quorum during such time.

The Directors are not required to hold any Equity Shares to qualify as a Director. The following table provides information about our Company's Directors.

Name and Nationality	Nationality	Age (Years)	Date of Appointment	Date of Appointment at current designation	Designation
Mr. Nirmal Kumar Jain	Indian	75	April 21, 2006	April 21, 2006	Chairman/Independent Director
Mr. Arun Maheshwari	Indian	52	April 18, 2019	April 19, 2019	Joint Managing Director and Chief Executive Officer
Mr. Kantilal Narandas Patel	Indian	70	October 27, 2006	September 13, 2007	Non-Executive Director
Ms. Ameeta Sonjoy Chatterjee	Indian	48	March 30, 2015	August 31, 2015	Independent Non-Executive Director
Mr. Kalyan Coomar Krishna Chandra Jena	Indian	72	May 4, 2010	August 1, 2018	Independent Non-Executive Director
Mr. Lalit Chandanmal Singhvi	Indian	58	November 9, 2017	August 1, 2018	Whole Time Director/ Chief Financial Officer

Brief Profile of Directors

Mr. Nirmal Kumar Jain is the Chairman and Independent Director of our Company. Mr. Jain holds a bachelor's degree in commerce and is a fellow member of The Institute of Chartered Accountants of India and The Institute of Company Secretaries of India. With over 50 years of experience in mergers and acquisitions, finance, legal and capital structuring, he has a keen interest in management development and human resource training. He is currently the Chairman of our Company and is serving on the board of various JSW Group companies. Having joined the JSW group in 1992, he has contributed richly in many areas during his tenure, including leading the JSW group in its new ventures, such as energy, infrastructure and aluminium, apart from spearheading various successful assignments for the steel business. His deep knowledge of all aspects of the business has contributed to proper decision-making and the successful conduct of business.

Mr. Arun Maheshwari is the Joint Managing Director and Chief Executive Officer of our Company. Mr. Maheshwari, with an MBA in marketing and finance, has been associated with JSW group since 1995 and held many leadership positions responsible for sourcing major steel and power generating raw materials, corporate strategy, international marketing, he has anchored each of these areas with his entrepreneurial skills, creative approach and lateral thinking. With over two-and-half decades of experience in the steel industry, he is considered an ideator, strategizer, and thought leader, straddling leadership roles in multiple verticals.

Mr. Lalit Singhvi is the Whole-Time Director and Chief Financial Officer of our Company. Mr. Singhvi is a qualified chartered accountant with over 35 years of varied experience from working in large industrial conglomerates like Ultratech Cement, Vedanta, Kalpataru and the Suhail Bahwan group. Mr. Singhvi is involved in strategic planning, fundraising, budgeting, accounts, taxation, legal, and the entire range of commercial functions. He has held senior leadership positions with the Vedanta group for around 16 years, playing varied roles that included a stint at the UAE. He was instrumental in setting up and managing a precious metals refinery and a copper rod business. He has also worked with the Suhail Bahwan group, Oman, as a Financial Advisor to the Chairman. Mr. Singhvi is also a member of the JSW group Corporate Ethics Committee.

Mr. K N Patel is the Non-Executive Director of our Company. Mr. Patel is a commerce graduate from Mumbai University and a fellow member of the Institute of Chartered Accountants of India. He possesses over 45 years of rich and varied experience in corporate finance, accounts, taxation and legal, and has a record of outstanding performance, during his association with the JSW group, since August 1995. Mr. Patel was with Standard Industries Limited (Mafatlal group) for 21 years before joining the JSW group. Mr. Patel is also the Director of JSW Cement Limited, JSW Jaigarh Port Limited and other companies, besides being a Trustee of the JSW Foundation, Jindal Education Trust, and other trusts.

Mr. K C Jena is the Independent Non-Executive Director of our Company. Mr. Jena is an alumnus of the Madras Christian College and IIT Kanpur. He has over 40 years of experience in various fields related to railway development. He has a wide international exposure and is an expert on rail and port connectivity. He is former Chairman of the Indian Railway Board.

Ms. Ameeta Chatterjee is the Independent Non-Executive Director of our Company. Ms. Ameeta Chatterjee holds a bachelor's degree in commerce from Lady Sriram College for Women, Delhi University, and is a Management graduate from the Indian Institute of Management, Bangalore. She has over 20 years of corporate finance experience developing, managing, and executing infrastructure projects across sectors in India and UK. She also has vast experience in project appraisal, credit evaluation and debt financing of infrastructure projects, mergers and acquisition, finance, tax, and secretarial matters. She has worked with ICICI Limited, KPMG, Leighton, and other firms outside India throughout her career.

Borrowing Powers of the Board of Directors

The Articles of Association, subject to the provisions of the Companies Act, authorize the Company's board to raise, borrow, or secure the payment of any sum or sums of money as for the purposes of our Company. Our shareholders have, pursuant to a resolution passed at the extra ordinary general meeting dated October 27, 2021 authorized our Board to borrow monies. Such borrowings may exceed at any time the aggregate of the paid-up share capital of our Company, securities premium account and its free reserves by a sum not exceeding ₹45,000 million.

Shareholding of Directors

As on the date of this Offering Memorandum, none of the directors hold any Equity Shares of our Company.

Prohibition by the SEBI or Other Governmental Authorities

None of the Directors or the companies with which they are (or were) associated as promoters, directors or persons in control are currently debarred from accessing the capital markets under any order or direction passed by the SEBI, the stock exchanges in India or any court or tribunal.

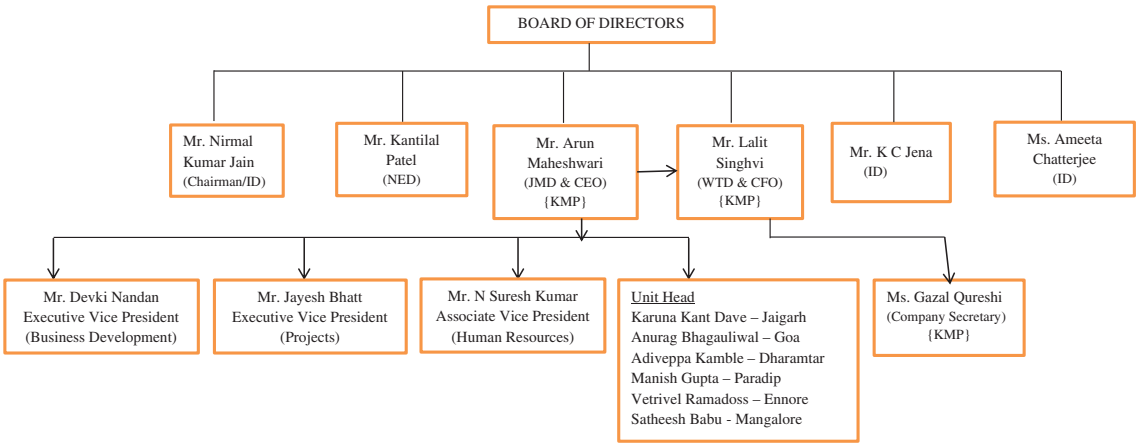
Remuneration of Directors

Mr. Arun Maheshwari receives his salary from the Subsidiary South West Port Limited (holding place of profit). His current CTC is ₹38,000,000.

Mr. Lalit Singhvi is in receipt of salary from JSW Infrastructure Limited. His current CTC is ₹19,529,988.

The Company pays the sitting fees of ₹20,000 per meeting to the Non-Executive Directors (not associated with the JSW Group) for attending meetings of Board and Committees.

Organizational Structure



"**CEO**" means Chief Executive Officer

"**CFO**" means Chief Financial Officer

"**ID**" means Independent Director

"**JMD**" means Joint Managing Director

"**KMP**" means Key Managerial Personnel

"**NED**" means Non-Executive Director

"**WTD**" means Whole-time Director

Brief Profiles of Key Managerial Personnel

Mr. Arun Maheshwari is the Joint Managing Director and Chief Executive Officer. For further details in relation to his brief profile, please see "— *Brief Profile of Directors*" beginning on page 143.

Mr. Lalit Singhvi is the Whole-Time Director and Chief Financial Officer. For further details in relation to his brief profile, please see "— *Brief Profile of Directors*" beginning on page 143.

Ms. Gazal Qureshi is the Company Secretary of our Company and has been associated with the JSW Group since February 2003. She is an associate member of Institute of Company Secretaries of India. She has over 18 years of experience in secretarial and compliance.

Shareholding of Key Managerial Personnel

As on the date of this Offering Memorandum, none of the Key Managerial Personnel hold any Equity Shares of our Company.

Committees of the Board

Audit Committee (Members were reconstituted in the Board Meeting held on December 2, 2019)	**Members**
Ms. Ameeta Chatterjee	Chairperson
Mr. N K Jain	Member
Mr. K C Jena	Member
Mr. K N Patel	Member

Nomination and Remuneration Committee (Members were reconstituted in the Board Meeting held on May 5, 2018)	
Ms. Ameeta Chatterjee	Chairperson
Mr. N K Jain	Member
Mr. K C Jena	Member
Mr. K N Patel	Member

CSR Committee (Members were reconstituted in the Board Meeting held on May 5, 2018)	
Ms. Ameeta Chatterjee	Chairperson
Mr. N K Jain	Member
Mr. K C Jena	Member

Compensation Committee (Members were reconstituted in the Board Meeting held on May 5, 2018)	
Ms. Ameeta Chatterjee	Chairperson
Mr. N K Jain	Member
Mr. K C Jena	Member

Finance Committee (Members were reconstituted in the Board Meeting held on April 18, 2019)	
Mr. Arun Maheshwari	Chairman
Mr. Lalit Singhvi	Member
Mr. K N Patel	Member

Sustainability Committee (The Committee was constituted in the Board Meeting held on October 27, 2021)	
Ms. Ameeta Chatterjee	Chairperson
Mr. N K Jain	Member
Mr. Arun Maheshwari	Member
Mr. Lalit Singhvi	Member

Interest of Directors and Key Managerial Personnel

None of the Directors and Key Managerial Personnel hold any interest in the Company.

REGULATIONS AND POLICIES IN INDIA

The following section provides an overview of the important laws and regulations, which are relevant to our business. The information set out below has been obtained from sources available in the public domain and is based on the current provisions of the Indian laws, as amended; and which are subject to amendments, changes and modifications. This overview is not exhaustive and is intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. Prospective investors should seek independent legal advice on the laws and regulations applicable to our business.

Port Related Regulations

The ports in India may be classified as Major and Non-Major Ports. Under the Indian Ports Act, 1908, the Government of India (the "**GoI**") is empowered to declare a port as a Major Port. The port related regulations governing our Company and our ports are as follows:

Major Port Trust Act, 1963

In India, the Major Ports are placed under the Union list of the Indian Constitution, and are regulated under the Major Port Trust Act, 1963, as amended (the "**MPT Act**") by the GoI. The GoI may by notification in the official gazette apply the provisions of the MPT Act to any Major Ports in India. Currently there are 12 Major Ports in India. Except Kamarajar Port, all other Major Ports are governed in accordance with the MPT Act. Under the MPT Act each Major Port is governed by a Board of Trustees appointed by the GoI. The Board of Trustees consists of persons as appointed by the GoI from to time to time by way of notification. Persons so appointed on the Board of Trustees are from various interests like the labor employed in the port, the Mercantile Marine Department, the Customs Department, the Government of the state in which the port is situated, the defense services, the Indian railways, and such other interests as, in the opinion of the GoI, ought to be represented on the Board of Trustees. Therefore, the Board of Trustees constituted under the MPT Act is dominated by government departments and public enterprises. Consequently, the powers of the Board of Trustees are limited, and it is bound by directions on policy matters and orders from the GoI. The Board of Trustees constituted under the MPT Act may make regulations for one or more matters as permitted under the MPT Act. The Board of Trustees is also empowered to enter into contracts, execute work and provide appliances as required under the MPT Act.

The Tariff Authority for Major Ports Guidelines

When the private sector was first allowed to offer services in Major Ports, companies were often acting in competition with the port trusts, and the private sector lobbied for an independent body to set port tariffs to ensure a fair competition between private sector and the port trusts. The Tariff Authority for Major Ports ("**TAMP**") was established for Major Ports to fix and revise port tariffs and was set up through an amendment of the MPT Act. All powers for fixing the tariffs in Major Ports lies with TAMP. However, it has no jurisdiction over Non-Major Ports or private ports.

The Guidelines for Regulation of Tariff at Major Ports, 2004 ("**TAMP Guidelines 2004**") are applicable to all Major Ports and may also be extended to private terminals operating at these ports under a build-own transfer/build-own-operate transfer (the "**BOT/BOOT**") basis or other government privatization arrangement. Under the TAMP Guidelines 2004, tariffs are fixed based on a formula considering cost and return on capital employed. Any violation of the TAMP Guidelines 2004 is punishable with penal charges.

The Guidelines for Upfront Tariff Setting for the PPP projects at Major Port Trusts, 2008 ("**TAMP Guidelines 2008**") shall be applicable to all public-private partnership (the "**PPP**") projects for which bids are invited by setting tariff caps upfront in the manner prescribed, when such projects are awarded under BOT/BOOT or any other arrangement for private sector participation under the MPT Act. The TAMP Guidelines 2004 shall continue to govern the tariff setting for Major Port Trusts, already operating private terminals and projects for which bidding was concluded before the publication of the TAMP Guidelines 2008 in the official gazette.

The Guidelines for Determination of Tariff for Projects at Major Ports, 2013 ("**TAMP Guidelines 2013**") shall apply to all projects to be awarded by any Major Port Trust to which the provisions of MPT Act apply under BOT/BOOT or any other arrangement for PPP projects for which tenders were issued after the date of issue of these guidelines. The TAMP Guidelines 2013 provide for fixing a tariff cap for the reference tariff to be levied by TAMP as well as provides for fixation of a performance linked tariff for PPP operators based on proposals received from the PPP operators.

The Guidelines for Determination of Upfront Tariff for Stevedoring and Shore Handling Operations authorized by Major Ports Trusts, 2016 ("**TAMP Guidelines 2016**") shall be applicable for fixation of upfront tariff for carrying out all stevedoring and shore handling operations by the agencies or firms who are authorized by Major Port Trusts to carry out these operations under the MPT Act. The TAMP Guidelines 2016 are not applicable for BOT/BOOT operators or any other arrangement for private sector participation which are governed by the TAMP Guidelines 2004, TAMP Guidelines 2008 and TAMP Guidelines 2013.

The Tariff Guidelines, 2019 ("**TAMP Guidelines 2019**") shall be applicable for regulation of tariff for BOT operators operating in Major Port Trusts, under the TAMP Guidelines 2004. The TAMP Guidelines 2004 were to remain in force for a period of five years unless reviewed earlier or extended. The TAMP and the Ministry of Shipping, GoI carried out various attempts to revise the tariff guidelines on a normative basis. TAMP issued the Tariff Policy, 2015 (which was revised in 2018) for Major Port Trusts which were earlier governed by the TAMP Guidelines 2004. The TAMP Guidelines 2019 broadly follow the principles of the Tariff Policies of 2015 and 2018 issued for Major Port Trusts. Under the TAMP Guidelines 2019, tariffs are fixed based on a formula taking into account cost and return on capital employed (which is fixed at 16%). Any violation of the TAMP Guidelines 2019 is punishable with penal charges.

TAMP notified the Working Guidelines, 2019 in order to operationalize the Tariff Guidelines, 2019 for Determination of Tariff for BOT Operators operating in Major Port Trusts ("**Working Guidelines, 2019**") on July 11, 2019. Working Guidelines, 2019 provides for issuance of working guidelines by TAMP and is applicable to all BOT terminal operators operating in Major Port Trusts, which are governed by the TAMP Guidelines, 2019.

However, pursuant to the provisions of the MPA Act, TAMP will be succeeded by the Adjudicatory Board, which will be constituted with effect from a date to be notified by the Central Government. All assets, liabilities and legal proceedings relating to TAMP will stand transferred to the Adjudicatory Board and every employee of TAMP will become an employee of the Adjudicatory Board. Apart from tariff setting which will be done by the Board under the MPA Act and concessionaires in public private partnership projects, the Adjudicatory Board will be empowered to carry out the functions of TAMP. It will have the same powers as vested in a civil court under the Code of Civil Procedure, 1908 and proceedings before the Adjudicatory Board will be deemed to be judicial proceedings. Parties may appeal a decision by the Adjudicatory Board directly before the Supreme Court of India.

The Indian Ports Act, 1908

The Indian Ports Act, 1908, as amended ("**Indian Ports Act**") consolidates the enactments relating to ports and port charges. In respect of ports other than Major Ports, state governments have been given power to make rules with respect to regulating the time, hours, speed, manner and conditions in which vessels may enter, leave or move in the port; berths, stations and anchorages to be occupied by vessels in a port; the anchoring, fastening, mooring and un-mooring of vessels in any such port; regulating the moving and warping of all vessels; removal or proper hanging or placing of anchors, spars and other things being in or attached to vessels. The GoI can make rules for the prevention of danger arising to the public health by the spread of any infectious or contagious disease from vessels arriving at or sailing from any such port. The state governments can alter the limits of a port.

The Indian Ports Act regulates the safety and conservation of ports as well as matters relating to the administration of port duties, pilotage and other charges. State governments in consultation with the relevant authority can exempt and extend/cancel the exemption to any vessel(s) from payment of port related dues. State governments are entitled to charge fees for pilotage, hauling, mooring, re-mooring, hooking and other services rendered to vessels. The state government can also vary the rates at which port dues are to be fixed. However, the rates should not exceed the amount authorized to be levied under the Indian Ports Act.

Fixation of tariff

TAMP currently exercises its authority only on the Major Ports, which are covered by the Major Port Trust Act, 1963. The Non-Major Ports come within the jurisdiction of the respective state governments. The Adjudicatory Board will replace and assume the authority of TAMP once the MPA Act comes into force.

Inland Vessels Act, 2021

The Inland Vessels Act, 2021 was introduced to replace the Inland Vessels Act, 1917. The Act has been passed to promote economical and safe transportation and trade through inland waters, to bring uniformity in application of law relating to inland waterways and navigation within the country. It provides, among other things for inland water limits, registration and survey of inland vessels, certificates of competency, licensing of masters and crew, investigation into casualties, protection and carriage of passengers and insurance against third party. An "inland vessel" or an "inland mechanically propelled vessel" is defined as a mechanically propelled vessel, which ordinarily plies on inland water, but does not include fishing vessel and a ship registered under the Merchant Shipping Act, 1958. The Inland Vessel Act provides that any mechanically propelled vessel cannot proceed on any voyage, or used for any service, unless she has a certificate of survey and certificate of registration. The Inland Vessels Act empowers the State Governments to appoint examiners for the purpose of examining the qualifications of persons desirous of obtaining the certificate of competency to the effect that he is competent to act as a first-class master, second-class master or serang, or as an engineer, first-class engine-driver, or second-class engine-driver.

Maharashtra Maritime Board Act, 1996

The Act received the assent of the President on January 16, 1997 and was first published in the Maharashtra Government Gazette, Part-IV, Extraordinary, on January 17, 1997. The act provides for the constitution of a Maritime Board for minor ports in the State of Maharashtra and to vest administration, control and management of such ports in that Board and to provide for the relevant matters. The Act established the Maharashtra Maritime Board as a body corporate, endows it with the power to administer, control and manage minor ports in the state of Maharashtra. Provides for the composition of the board, disqualification and removal provisions, the appointment of a CEO with powers to enter into contracts on behalf of the board and the designation of the Ports Minister and Minister of State, Ports as ex officio chairman and vice chairman respectively. State government exercises broader supervision and control.

Maharashtra Land Revenue Act, 1966

The Maharashtra Land Revenue Act, 1966 was enacted to replace the Bombay Land Revenue Code, 1879. The Bombay Land Revenue Code, 1879 was a comprehensive enactment applicable in the then Bombay Province till its repeal and replacement by MLR Code, 1966 on August 15, 1967. The Land Revenue Rules, 1921 are framed under the 1879 Code. For a Developer they continue to be relevant since old records, sanads, city survey extracts/property register cards, tenures etc. have to be seen and understood therefrom. The act defines the concept of to hold land or to be a land Holder or holder of land means to be lawfully in possession of land, whether such position is actual or not. Hence an encroacher or trespasser is not a holder of land whereas an occupant or owner who may not be in physical possession of land is still a holder. The Act provides for the assessment fixed on any land under the provisions of this act or rules thereunder with reference to the use of the land for a non-agricultural purpose.

Maharashtra Regional and Town Planning Act, 1966

The Maharashtra Regional and Town Planning Act, 1966, as amended was enacted with vision to make provision for the promotion of development and regulation of growth of urban and rural areas located in metropolitan areas and districts in the state, and for purposes connected with the matters aforesaid. The act provides for the planning the development and use of land in regions established for that purpose and for the constitution of Regional Planning Boards therefor and to make better provisions for the preparation of Development plans with a view to ensuring that town planning schemes are made in a proper manner and their execution is made effective. The act also aims to provide for the creation of new towns by means of Development Authorities as well as to make provisions for the compulsory acquisition of land required for public purposes in respect of the plans; and for purposes connected with the matters as discussed in the act.

Orders and Notifications in relation to COVID-19

In light of the ongoing impact of the outbreak of COVID-19, the Ministry of Home Affairs, GoI announced a nationwide lockdown pursuant to the order dated March 25, 2020 ("**Lockdown Order**") wherein several services across the nation were suspended. However, addendum to the guidelines annexed to the Lockdown Order exempted the following services from being suspended during the lockdown: (a) transportation for essential goods only; (b) fire, law and order and emergency services; (c) operations of railways, airports and seaports for cargo movement, relief and evacuation and their related operational organizations; and (d) inter-state movement of goods/cargo for inland and exports. Subsequently, the Directorate General of Shipping, Ministry of Shipping, GoI has issued several orders, notifications and guidelines to be followed by port authorities and vessels arriving at port authorities to combat the spread of COVID-19.

Customs Act, 1962

The Customs Act, 1962, as amended, (the "**Customs Act**") deals with the levy of customs duty, the power of the GoI to prohibit import and export certain goods, and prevention and detection of illegally imported goods. Section 8 of the Customs Act empowers the Principal Commissioner of Customs to approve proper places in any customs port or customs airport or coastal port for the unloading and loading of goods or for any class of goods. The Principal Commissioner of Customs is also empowered to specify limits of any customs area. Section 45 of the Customs Act lays down that all imported goods unloaded in a customs area shall remain in the custody of the person approved by the Principal Commissioner of Customs until they are cleared for home consumption or warehoused or transshipped. The custodian is required to keep a record of such goods and send a copy of the record to the designated officer. The custodian shall not permit the goods to be removed unless approved by the designated authority in writing or in such manner as may be prescribed. The Customs Act further provides that, if the goods are pilfered while in the custody of the custodian, then such custodian shall be liable to pay duty on such goods.

By a notification dated March 17, 2009, the Central Board of Excise and Customs notified the Handling of Cargo in Customs Areas Regulations, 2009 (as amended on April 1, 2019) which specify the eligibility requirements and responsibilities of persons who receive, store, deliver or otherwise handle imported goods in the customs area.

Employment and Labor Laws

India has extensive labor related legislation. Preliminary information on some of the labor laws that may be applicable has been provided below. This list is indicative and does not cover all provisions of the law specified or cover other applicable labor laws.

The Dock Workers (Regulation of Employment) Act, 1948

The Dock Workers (Regulation of Employment) Act, 1948, as amended (the "**Dock Workers Act**") regulates the employment of dock workers. It provides that a scheme may provide for the registration of dock workers and employers to ensure greater regularity of employment. Such a scheme may provide for the following:

- classes of dock workers and employers to be covered under the scheme.
- obligations of dock workers and employers; and
- regulation of the employment of dock workers (whether registered or not) including their remuneration and working hours.

The scheme may also provide for penalty and/or imprisonment in case of contravention of any provision of the scheme. The Dock Workers Act also provides for the establishment of a board responsible for administering the scheme for the ports for which it has been established.

Dock Workers (Regulation of Employment) (Inapplicability to Major Ports) Act, 1997

The Dock Workers (Regulation of Employment) (Inapplicability of Major Ports) Act, 1997, as amended (the "**Dock Workers Inapplicability Act**") give powers to the GoI to direct the provisions of the Dock Workers Act to cease to have effect in relation to any Major Ports. Under the Dock Workers Inapplicability Act the GoI may after settlement is arrived at between the relevant dock labor board of any Major Port, its workmen and the management of that Major Port in accordance with the provisions of the Industrial Disputes Act, 1947, as amended, direct by notification in the official gazette that the provisions of the Dock Workers Act shall cease to have effect in relation to the Major Ports with effect from the date specified in the notification.

Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947, as amended (the "**ID Act**") sets out the procedure for the investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate government may refer the dispute to a labor court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or to prevent a strike or lock-out while a proceeding is pending. The labor courts and tribunals may grant appropriate relief including ordering the modification of contracts of employment or the reinstatement of workmen.

The ID Act also distinguishes between (i) employees who are "workmen" and (ii) employees who are not "workmen." Workmen have been provided several benefits and are protected under various labor laws, while those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. The ID Act lays down certain requirements for termination of a workman, the procedure for dispute resolution and financial obligations upon retrenchment.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020, and it proposes to replace three existing labor laws, namely the Industrial Disputes Act, 1947, the Trade Unions Act, 1926, and the Industrial Employment (Standing Orders) Act, 1946. The code aims to streamline industrial relations and help India improve on the ease of doing business index. Further, to impart flexibility to the exit provisions of employees, the threshold for prior approval of appropriate Government has been kept unchanged at 100 employees, however, a provision is proposed to be added for changing the number of employees through notification. This means that a parliamentary approval is no longer required to change the number of employees and it can be done solely by an executive order. At the same time, it protects workers by proposing to create the re-skilling fund, which is to be utilized for

crediting to workers in the prescribed manner. In addition, the code provides a definition for fixed term employment of any duration across sectors which does not entail requirement of notice or retrenchment compensation. However, it makes provision for accrual of all statutory benefits such as social security and wages to such employees at par with regular employees. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Dock Workers (Safety, Health and Welfare) Act, 1986

The Dock Workers (Safety, Health and Welfare) Act, 1986, as amended (the "**Dock Workers Safety Act**") was enacted to give effect to the conventions concerning protection against accidents of workers employed in loading and unloading ships. The Dock Workers Safety Act is applicable to all ports in the country. The appropriate governments, being GoI in respect of Major Ports and state governments in respect of Non-Major Ports, are empowered to frame Rules and Regulations. The Ministry of Labor and Employment has notified the Dock Workers (Safety, Health and Welfare) Regulations, 1990 applicable to all Major Ports in the country. The relevant state governments may by notification in the official gazette make regulations in consistent with the Dock Workers Safety Act for providing for the safety and health and welfare of dock workers.

Contract Labor (Regulation and Abolition) Act, 1970

The Contract Labor (Regulation and Abolition) Act, 1970, as amended (the "**CLRA**"), regulates the employment of workers hired on the basis of individual contracts in certain establishments. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labor. The CLRA vests the responsibility with the principal employer of an establishment to register as an establishment that engages contract labor. Likewise, every contractor to whom the CLRA applies must obtain a license and may not undertake or execute any work through contract labor except in accordance with the license issued. Penalties, including both fines and imprisonment, may be levied for contravention of the CLRA. Penalties for non-compliance include imprisonment up to three months or a fine, or both.

Minimum Wages Act, 1948

The Minimum Wages Act, 1948, as amended (the "**MWA**"), provides for a minimum wage payable by employers to employees. Under the MWA, every employer is required to pay the minimum wage to all employees, whether for skilled, unskilled, manual or clerical work, in accordance with the minimum rates of wages that have been fixed and revised under the MWA. Workmen are to be paid for overtime at overtime rates stipulated by the appropriate state government. Contravention may result in imprisonment for up to six months or a fine, or both. State governments may stipulate a higher penalty for contravention, if it is deemed fit to do so.

Payment of Wages Act, 1936

The Payment of Wages Act, 1936, as amended (the "**PWA**"), regulates payment of wages to certain classes of employees and makes every employer responsible for payment of wages to persons employed by such employer. No deductions are permitted from, nor is any fine permitted to be levied on, wages earned by a person employed except as provided under the PWA. Penalties under the PWA include a fine.

Employee's Compensation Act, 1923

The Employee's Compensation Act, 1923, as amended (the "**ECA**"), makes every employer liable to pay compensation if injury, disability or death is caused to an employee (including those employed through a contractor) due to an accident arising out of or in the course of employment. If the employer fails to pay the compensation due under the ECA within a month from the date it falls due, the commissioner shall direct the employer to pay the compensation along with interest and may impose a penalty for non-payment.

The Employee's Compensation (Amendment) Act, 2017, which amended the ECA in order to create an obligation upon an employer to inform their employees of their right to compensation under the ECA. The failure to abide by such obligation may be penalized with a fine of up to 100,000. Further, the ECA permits an appeal against orders in relation to compensation, distribution of compensation and awards of penalty if the dispute concerns an amount of 300 and above.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, as amended (the "**EPFA**"), institutes provident funds for the benefit of employees in factories, industrial undertakings and other establishments notified by the Government from time to time. Contributions are required to be made by employers and employees to a provident fund and pension fund established and maintained by the Government.

Payment of Gratuity Act, 1972

Under the Payment of Gratuity Act, 1972, as amended (the "**PGA**"), an employee who has been in continuous service for five years is eligible for gratuity on retirement, resignation, death or disablement due to accident or disease. Entitlement to gratuity in the event of superannuation or death or disablement due to accident or disease is not contingent on an employee having completed five years of continuous service.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965, as amended (the "**PBA**"), provides for payment of a minimum annual bonus to all employees regardless of whether the employer has made a profit or a loss in the accounting year in which the bonus is payable. Contravention of the PBA by a company is punishable by imprisonment up to six months or a fine, or both, against persons in charge of, and responsible to the company for, the conduct of the business of the company at the time of contravention.

Code on Wages, 2019

The Code on Wages, 2019 (the "**Wage Code**") seeks to consolidate and amend four existing labor laws relating to wages, namely, the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Wages Act, 1936 and the Payment of Bonus Act, 1965. Though the Code received the President's assent on August 8, 2019, it will be brought into force only once the appointed date for its implementation is notified by the Central Government. The Government is empowered to bring into force the various provisions of the Code in a staggered manner. The Wage Code proposes to extend the benefits and make the requirements prescribed with respect to payment of wages and minimum wages applicable to all types of establishments irrespective of their nature of business or activities. The Wage Code proposes a common definition of the term "wages" as opposed to the separate definitions in the erstwhile laws. This will enable employers to take a consistent and uniform approach and avoid multiple interpretations. The Wage Code makes it mandatory for the employer to pay within seven days from expiry of the wage period, irrespective of the size of the establishment. It introduces the concept of "floor wages," which will be fixed by the Central Government taking into account the minimum living standards of a worker. Once the Wage Code comes into force, the minimum rates of wages fixed by the State Government cannot be less than floor wages as determined by the Central Government. The Central Government has notified the Code on Wages (Central Advisory Board) Rules, 2021, which provide for the constitution of a central advisory board to advise the Central Government on *inter alia* the fixing of minimum wages for certain kinds of employees.

Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations, namely the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Cine Workers Welfare Fund Act, 1981, the Building and Other Construction Workers Cess Act, 1996, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, and the Unorganized Workers' Social Security

Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The code seeks to universalize social security and extend it to all workers, including gig workers. This code proposes the creation of the following social security organizations namely, the Central Board of Trustees for the Employees Provident Fund, the Employees State Insurance Corporation, the National Social Security Board for unorganized workers, the State Unorganized Workers' Social Security Board, and the State Building Workers' Welfare Boards to administer the various social security schemes included in the code. The benefits of the schemes are proposed to be paid out of funds comprising employer and employee's contribution and may also include funds from the Central or State Government or from the corporate social responsibility fund.

Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Act was enacted to prevent incidents of sexual harassment at workplace was enacted after 16 years of the Supreme Court judgment in the case of *Vishaka & Ors. vs. State of Rajasthan & Ors. (1997 (7) SCC 323)*. The Ministry of Women and Child Development, by a Notification dated December 9, 2013 passed the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which became effective from December 9, 2013. The Ministry also made the rules with regard to the same effective from the same date. These rules are called the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013.

As per Section 134 of the Companies Act, 2013, every company is required to prepare report of Board of Directors for each financial year. Board report should contain disclosures as per Section 134 read with rule 8. After notification of Companies Amendment Act, 2017, some amendments were made under Section 134 of the Companies Act, as per which the report of Board shall contain a statement that the company has complied with provisions relating to the constitution of Internal Complaints Committee under Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Environmental Legislations

The three major statutes in India which seek to regulate and protect the environment against pollution related activities in India are the Water (Prevention and Control of Pollution) Act 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment Protection Act, 1986 (the "**EPA**"), each as amended. The Pollution Control Boards ("**PCBs**"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state to control and prevent pollution. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking investigations to ensure that industries are functioning in compliance with the standards prescribed. All industries are categorized as a red, orange or green category industry by the Central Pollution Control Board and are required to obtain consent orders from the PCBs, and these orders are required to be renewed prior to their expiry.

Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974, as amended ("**Water Act**") prohibits the use of any stream or well for disposal of polluting matter, in violation of standards set down by the State Pollution Control Board ("**SPCB**"). The Water Act also provides that the consent of the SPCB must be obtained prior to opening of, *inter alia*, any industry, new outlets or discharges, which is likely to discharge sewage or effluent.

Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981, as amended ("**Air Act**") under which any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must obtain consent from the state pollution control board prior to commencing any activity. The consent may contain conditions relating to specifications of pollution control equipment to be installed. The Air Act empowers the State Government, after consultation with the SPCBs, to declare any area or areas within the State as air pollution control area or areas.

Coastal Regulation Zone Notification, 2018

The GoI issued the Coastal Regulation Zone ("**CRZ**") Notification, 2018 ("**CRZ Notification 2018**") under Sections 3(1) and 3(2)(v) of the EPA and Rule 5(3)(d) of the Environment (Protection) Rules 1986, for the purposes of conserving and protecting the coastal environment. The CRZ Notification 2018 was passed in supersession of the Coastal Regulation Zone Notification, 2011 dated January 6, 2011. Pursuant to the CRZ Notification 2018, the GoI has declared the coastal stretches of the country and the water area up to its territorial water limit, excluding the islands of Andaman and Nicobar and Lakshadweep and the marine areas surrounding these islands, which are influenced by tidal action up to 500 meters from the High Tide Line ("**HTL**"), the land between HTL and 50 meters or width of the creek, the land between the Low Tide Line ("**LTL**") and the HTL as Coastal Regulation Zone and the water and the bed area between the LTL and the territorial water limit (12 nautical miles) as Coastal Regulation Zone; and certain restrictions on the setting up and expansion of industries, operations or processes, in the said notification. The CRZ Notification 2018 provides a list of prohibited activities and regulates the permissible activities. Operational constructions for ports and harbors, jetties, quays, wharves, erosion control measures, breakwaters, pipelines, lighthouses, navigational safety facilities, coastal police stations, Indian coast guard stations and the like has been identified as an activity requiring environmental and CRZ clearance from the MoEF. The CRZ Notification 2018 further divides the coastal zone into four zones and lays down the activities that can be undertaken in each area.

Environmental Impact Assessment Notification, 2006

The Ministry of Environment and Forest issued the Environmental Impact Assessment Notification, 2006 under Rule 5(3) of the Environment (Protection) Rules, 1986, as amended, replacing the erstwhile Environmental Impact Assessment Notification, 1994, for imposing certain restrictions and prohibitions on new projects or activities, or on the expansion or modernization of existing projects or activities based on their potential environmental impacts as indicated in the Schedule to the notification, being undertaken in any part of India, unless prior environmental clearance has been accorded in accordance with the objectives of National Environment Policy as approved by the Union Cabinet on May 18, 2006 and the procedure specified in the notification, by the GoI or the State or Union territory Level Environment Impact Assessment Authority ("**SEIAA**"), to be constituted by the GoI.

The following projects or activities shall require prior environmental clearance from the concerned regulatory authority, which shall hereinafter referred to be as the GoI in the Ministry of Environment and Forests for matters falling under Category 'A' in the Schedule and at State the SEIAA for matters falling under Category 'B' in the said Schedule, before any construction work, or preparation of land by the project management except for securing the land, is started on the project or activity:

(i) All new projects or activities listed in the Schedule to this notification;

(ii) Expansion and modernization of existing projects or activities listed in the Schedule to this notification with addition of capacity beyond the limits specified for the concerned sector, that is, projects or activities which cross the threshold limits given in the Schedule, after expansion or modernization;

(iii) Any change in product — mix in an existing manufacturing unit included in Schedule beyond the specified range.

The environmental clearance process for new projects will comprise of a maximum of four stages, all of which may not apply to particular cases as set forth below in this notification. These four stages in sequential order are:

- Stage (1) Screening (Only for Category 'B' projects and activities);
- Stage (2) Scoping;
- Stage (3) Public Consultation; and
- Stage (4) Appraisal.

The Noise Pollution (Regulation and Control) Rules, 2000

The act aims to regulate and control noise producing and generating sources with the objective of maintaining the ambient air quality standards in respect of noise to regulate the increasing ambient noise levels in public places from various sources, inter-alia, industrial activity, construction activity, fire crackers, sound producing instruments, generator sets, loud speakers, public address systems, music systems, vehicular horns and other mechanical devices have deleterious effects on human health and the psychological well-being of the people.

Recognizing the harmful effects of noise, the Indian government included measures to abate noise pollution under the Environment Protection Act, 1986. Noise pollution was one of the categories being addressed under this Act. However, in the late 1990's, the Government decided to come out with a separate legislation solely focusing on noise pollution. Thus, was born, Noise Pollution (Regulation and Control) Rules, 2000. Under this Act, the legislation has divided all areas into four categories into Industrial Areas, Commercial Areas, Residential Areas and Silence Zones.

Foreign Exchange Laws

The laws relating to ECBs are embodied in the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 and the rules, regulations, circulars or notifications issued by the RBI in relation to ECBs including the Master Direction — External Commercial Borrowings, Trade Credits and Structured Obligations issued by the RBI on March 26, 2019, the circular on External Commercial Borrowings (ECB) Policy — Rationalization of End-use Provisions dated July 30, 2019 and the Master Direction on Reporting under Foreign Exchange Management Act, 1999 dated January 1, 2016, each as amended (together, the "**ECB Guidelines**").

ECBs can be accessed under two routes: (i) the automatic route; and (ii) the approval route. The automatic route does not require a borrower to obtain any RBI approval, whereas the approval route requires a prior RBI approval. The ECB Guidelines classify ECBs under two categories (i) foreign currency denominated ECBs ("**FCY ECB**"); and (ii) Rupee denominated ECBs ("**INR ECB**").

In accordance with the ECB Guidelines, all entities that are eligible to receive foreign direct investment are classified as eligible borrowers for availing ECBs. Additionally, the ECB Guidelines also allows (i) port trusts; (ii) units in a special economic zone; (iii) Small Industries Development Bank of India; (iv) Export Import Bank of India; and (v) registered entities engaged in micro-finance activities, namely, registered not for profit companies, registered societies, trusts, cooperatives and non-government organizations (which are permitted only to raise INR ECBs) to raise ECBs.

An entity raising FCY ECB is required to follow hedging guidelines issued, by the concerned sectoral or prudential regulator in respect of foreign currency exposure. Infrastructure space companies are required to have a board approved risk management policy and are required to mandatorily hedge 70% of their ECB exposure in case the average maturity of the ECB is less than five years. The designated AD Category-I bank shall verify that the 70% hedging requirement is complied with during the tenor of the ECB and report the position to RBI through Form ECB 2 returns.

Pursuant to the ECB Guidelines any resident of a Financial Action Task Force ("**FATF**") or an International Organization of Securities Commission ("**IOSCO**") compliant country will qualify as a recognized lender or investors eligible to provide ECBs to Indian entities. Additionally, multilateral and regional financial institutions where India is a member country will also be considered as recognized lenders or investors. Further, the ECB Guidelines permit individuals as ECB lenders if they are foreign equity holders or if bonds or debentures are listed abroad.

The ECB Guidelines permit refinancing of existing ECB by fresh ECB provided that the outstanding maturity of the original borrowing is not reduced, and all-in-cost of fresh ECB is lower than the all-in-cost of existing ECB. Further, Indian banks are permitted to participate in refinancing of an existing ECB, only those raised by highly rated corporates (AAA) and or by Maharatna/Navratna public sector undertakings.

In relation to the utilization of the ECB proceeds, the negative list for both FCY ECB and INR ECB includes: (i) real estate activities; (ii) investment in capital market; and (iii) equity investment. Additionally, proceeds from an ECB cannot be utilized for (i) working capital purposes; (ii) general corporate purposes; and (iii) repayment of Rupee loans (except from a foreign equity holder and except as provided below). Additionally, for all ECBs, on-lending for any of the abovementioned activities is prohibited under the ECB Guidelines.

The RBI issued a circular on July 30, 2019, in relation to "External Commercial Borrowings Policy — Rationalization of End-use Provisions" with a view to liberalize the end-use restrictions under the ECB Guidelines. The circular has modified the end-use restrictions such that the proceeds of ECB can be used towards working capital purposes and general corporate purposes, provided that the minimum average maturity period ("**MAMP**") of such ECB is at least 10 years. In addition to the above, ECBs with a MAMP of seven years can also be availed by eligible borrowers (including NBFCs) for repayment of rupee loans availed domestically for capital expenditure. Further, the proceeds of ECB can now be used by eligible borrowers (including NBFCs) for repayment of rupee loans availed for purposes other than capital expenditure and for on-lending by NBFCs for the same purpose subject to compliance with MAMP of at least 10 years. Manufacturing companies as eligible ECB borrowers may avail up to U.S.$50 million or its equivalent per financial year with a MAMP of one year. ECBs raised from foreign equity holders for working capital purposes, general corporate purposes or for repayment of Rupee loans maybe availed with an MAMP of five years. In all other cases, the MAMP prescribed under the ECB Guidelines is three years.

The circular also permits eligible corporate borrowers to avail ECBs for (i) repayment of rupee loans availed domestically for capital expenditure in manufacturing and infrastructure sectors if such loans are classified as special mention account category 2 or as non-performing assets under a one-time settlement; and (ii) Indian banks to sell, by means of assignment, such loans as mentioned above, to eligible ECB lenders, provided that the resultant ECB from such offshore lender complies with the all-in-cost, MAMP and other relevant norms of the ECB framework.

The maximum amount which can be raised every fiscal year by an eligible borrower under the automatic route is U.S.$750 million or its equivalent. The all-in cost (which includes rate of interest, other fees and expenses in foreign currency or Rupees but does not include commitment fees, payments for withholding tax in Rupees), for both FCY ECB and INR ECB is set at the benchmark rate plus 450 basis points spread. As per the ECB Guidelines, various components of all-in cost have to be paid by an ECB borrower without taking recourse to the drawdown of ECB, that is, ECB proceeds cannot be used for payment of interest or charges.

Filing and Regulatory Requirements in relation to ECBs

An ECB borrower is required to obtain a loan registration number ("**LRN**") from the RBI before availing an ECB. To obtain this, ECB borrowers are required to submit a completed Form ECB certified by a company secretary or a chartered accountant to the authorized dealer Category 1 bank ("**AD Bank**") of the ECB borrower.

The AD Bank is then required to forward the completed Form ECB to the RBI. An ECB borrower is required to submit an ECB-2 Return on a monthly basis via its AD Bank to the RBI (to report actual ECB transaction within seven days of the month to which it related).

Security creation in relation to ECBs

Security can be created by Indian borrowers or obligors over immovable or movable property, shares and other securities, in favor of a non-resident lender/security trustee and as a condition to the grant of such security, the Indian borrower is required to obtain a 'no-objection' certificate from their designated AD Bank (and the borrower's existing lenders if applicable). An AD Bank can issue no-objection certificates to Indian borrowers or obligors provided *inter alia*, the following conditions are satisfied: (i) the 'no objection' certificate shall be granted only to an Indian resident borrower or other obligor; (ii) the period

of the charge has to be the same as the loan maturity; in case of immovable assets: the 'no objection' certificate is not to be construed as a permission to acquire immovable asset (property) in India, by an non-resident lender or security trustee; and (iii) in the event of enforcement of the charge or other security interest, the immovable asset (property) cannot be transferred to a non-resident and has to be sold only to a person resident in India and the sale proceeds used to repay the outstanding loan.

Procedure in relation to any change to the terms and conditions of ECBs

Changes in ECB parameters in consonance with the ECB norms, including reduced repayment by mutual agreement between the lender and borrower, should be reported to the Department of Statistics and Information Management of the RBI through revised Form ECB at the earliest, in any case not later than seven days from the changes effected. Such changes may be approved by the AD Bank to the extent of delegation provided for in the ECB Guidelines or by the RBI if so required. Certain changes such as a change in the name of borrower or lender, transfer of ECB and any such other parameters may be approved by the AD Bank, provided the revised terms comply with extant ECB norms and are with the consent of lender. Any redemption of the Notes prior to their stated maturity, including on the occurrence of an Event of Default or change of control trigger event or for taxation reasons (as further described in the Terms and Conditions of the Notes) will require the prior approval of the RBI.

Master Directions on Interest Rates

In the Master Direction — Reserve Bank of India (Interest Rate on Deposits) Directions, 2016, read with the Master Direction — Reserve Bank of India (Interest Rate on Advances) Directions, 2016, as amended ("**Interest on Advances Directions**"), the RBI sets out the revised framework in relation to the Foreign Currency (Non-resident) Accounts (Banks) Scheme. Pursuant to the Interest on Advances Directions, banks can determine the interest rates on advances in foreign currency in accordance with the comprehensive policy on interest rates on advances duly approved by the board of directors or any committee of the board of directors to which such powers have been delegated. The interest rate is required to be determined with reference to a market determined external benchmark and the actual lending rates are required to be determined by adding the components of spread to the external benchmark. Further, the banks shall ensure that interest rates offered shall be reasonable, consistent, transparent and available for supervisory review/scrutiny as and when required.

PRINCIPAL SHAREHOLDERS

The shareholding pattern of our Company as on the date of this Offering Memorandum is as indicated in the table below:

Name of Shareholder	Number of Equity Shares Held	Percentage of Total Paid-up Equity Capital
Sajjan Jindal Family Trust ("**SJFT**") (held by Sajjan Jindal & Sangita Jindal as a Trustee).	56,504,513	93.07
Everbest Consultancy Services Private Limited (Nominee of SJFT)	10	0.00
Reynold Traders Private Limited (Nominee of SJFT)	1	0.00
JSL Limited	1,712,168	2.82
Siddeshwari Tradex Private Limited	1,712,168	2.82
JSW Infrastructure Employees Welfare Trust	780,848	1.29
Hiren Deshpande	284	0.00
Total	**60,709,992**	**100.00**

The principal shareholder of our Company is Sajjan Jindal Family Trust.

DESCRIPTION OF MATERIAL INDEBTEDNESS

The following summary of certain provisions of our loan facilities and other indebtedness does not purport to be complete and is subject to, and qualified in its entirety by reference to, the underlying credit agreements and other documentation.

As of September 30, 2021, the Company's total outstanding borrowings were ₹5,261 million (U.S.$70.9 million).

Of our Company's total outstanding borrowings, ₹2,416.8 million (U.S.$32.5 million) were term loan facilities, ₹132.3 million (U.S.$1.8 million) were working capital facilities and ₹2,712 million (U.S.$36.5 million) were issued non-convertible debentures.

As of September 30, 2021, each Subsidiary Guarantor's total outstanding term borrowings were as below:

Subsidiary Guarantor	Outstanding borrowings as of September 30, 2021	
	(₹ in millions)	(U.S.$ in millions)[1]
JSW Jaigarh Port Limited	17,091.3	230.2
JSW Dharamtar Port Private Limited	2,040.9	27.5
South West Port Limited	3,740.0	50.4
JSW Paradip Terminal Private Limited	4,397.6	59.2
Paradip East Quay Coal Terminal Private Limited	8,411.9	113.3

Note:

(1) For the reader's convenience, U.S. dollar translations of Rupee amounts have been provided at a rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

As of September 30, 2021, each Subsidiary Guarantor's total outstanding non-fund based and working capital borrowings were as below:

Subsidiary Guarantor	Outstanding borrowings as of September 30, 2021	
	(₹ in millions)	(U.S.$ in millions)[1]
JSW Jaigarh Port Limited	881.2	11.9
JSW Dharamtar Port Private Limited	5.7	0.1
South West Port Limited	161.8	2.2
JSW Paradip Terminal Private Limited	39.2	0.5
Paradip East Quay Coal Terminal Private Limited	706.4	9.5

Note:

(1) For the reader's convenience, U.S. dollar translations of Rupee amounts have been provided at a rate of U.S.$1.00 = ₹74.2551, which was the exchange rate as reported by the FBIL on September 30, 2021.

JSW Infrastructure Limited – Company

Rupee Term Loans

Our Company has entered into a facility agreement dated December 28, 2020 with PTC India Financial Services Limited for a term loan with principal amounts in the aggregate not exceeding ₹2,500.0 million (U.S.$33.7 million) (the "**PTC Facility**").

The terms of the PTC Facility include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayment other than as permitted;
- creating encumbrances other than as permitted;
- change of control.

The terms of the PTC Facility include customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents.

Non-convertible debentures

Our Company has issued non-convertible debentures of up to ₹5,424.4 million (U.S.$73.1 million) further to the debenture trust deed dated December 16, 2019 (the "**NCD Debt**").

The following is a description of certain material terms of the NCD Debt:

- incurring additional indebtedness other than as permitted;
- restricted payments;
- creating encumbrances other than as permitted; and
- change of control.

The terms of the NCD Debt include customary event of default provisions wherein the debenture holders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents.

Working Capital Facilities

Our Company has entered into facility agreements with Yes Bank Limited, IndusInd Bank Limited and Axis Bank Limited for fund based and non-fund based limits (the "**JSWIL Working Capital Facilities**") not exceeding a consolidated aggregate amount of ₹800 million (U.S.$10.8 million) to fund its working capital requirements.

The terms of the JSWIL Working Capital Facilities include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayment other than as permitted;

- creating encumbrances other than as permitted; and
- change of control.

The terms of the JSWIL Working Capital Facilities include customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

JSW Jaigarh Port Limited ("JSWJPL") – Subsidiary Guarantor

Rupee Term Loans

(i) Axis Bank Limited, Bank of India, South Indian Bank, and Union Bank of India

JSWJPL has entered into a facility agreement dated January 23, 2018 with Axis Bank Limited and novated in favor of Bank of India, South Indian Bank, and Union Bank of India via novation notices dated December 14, 2018, March 31, 2018 and September 30, 2019, respectively, for a loan with principal amounts in the aggregate not exceeding ₹9,750.0 million (U.S.$131.3 million) (the "**JSWJPL RTL Facilities**").

The terms of the JSWJPL RTL Facilities include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayment other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The JSWJPL RTL Facilities includes customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

In terms of the letter dated December 22, 2021 issued by Axis Bank Limited confirming no-objection in respect of, *inter alia*, the incurrence of the Notes requires that the rate of interest of the Notes Issuer Loans granted by the Company to JSWJPL shall be capped at the present rate of interest of the JSWJPL Axis Bank Facility.

(ii) NIIF Infrastructure Finance Limited

JSWJPL has entered into a facility agreement dated March 31, 2021 with NIIF Infrastructure Finance Limited for a loan with the principal amounts in aggregate not exceeding ₹2,700.0 million (U.S.$36.4 million) (the "**JSWJPL NIIF IFL Facility**").

The terms of the JSWJPL NIIF IFL Facility include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayments other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The JSWJPL NIIF IFL Facility includes customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

(iii) Yes Bank Limited

JSWJPL has entered into a loan agreement dated April 20, 2019 with Yes Bank Limited for a loan with the principal amounts in aggregate not exceeding ₹1,050.0 million (U.S.$14.1 million) which was amended to ₹850.0 million (U.S.$11.4 million) via supplemental loan agreement dated March 12, 2021 (the "**JSWJPL Yes Bank Facility**").

The terms of the JSWJPL Yes Bank Facility include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayments other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The JSWJPL Yes Bank Facility includes customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

(iv) EXIM Bank

JSWJPL has entered into two loan agreements dated April 6, 2017 and January 23, 2018 with EXIM Bank for a loan with the principal amounts in aggregate not exceeding (i) U.S.$30 million and (ii) U.S.$45 million (the "**JSWJPL Exim Bank Facility**").

The terms of the JSWJPL Exim Bank Facility include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The JSWJPL EXIM Bank Facility includes customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

Working Capital Facilities

JSWJPL has entered into facility agreements with ICICI Bank Limited and Axis Bank Limited for fund based and non-fund based limits (the "**JSWJPL Working Capital Facilities**") not exceeding a consolidated aggregate amount of ₹1,350.0 million (U.S.$18.2 million) to fund its working capital requirements:

The JSWJPL Working Capital Facilities include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;

- making restricted payments and prepayment other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The terms of the JSWJPL Working Capital Facilities include customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

JSW Dharamtar Port Private Limited ("JSWDPPL") – Subsidiary Guarantor

Rupee Term Loans

(i) Axis Bank Limited

JSWDPPL has entered into a common loan agreement dated June 24, 2020 with Axis Bank Limited for a loan with principal amounts in the aggregate not exceeding ₹2,062.2 million (U.S.$27.8 million) (the "**JSWDPPL Axis Bank Facility**").

The terms of the JSWDPPL Axis Bank Facility include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayment other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The JSWDPPL Axis Bank Facility includes customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

In terms of the letter dated December 22, 2021 issued by Axis Bank Limited confirming no-objection in respect of, *inter alia*, the incurrence of the Notes requires that the rate of interest of the Notes Issuer Loans granted by the Company to JSWDPPL shall be capped at the present rate of interest of the JSWDPPL Axis Bank Facility.

(ii) Canara Bank

JSWDPPL has entered into a common loan agreement dated April 28, 2017 and a Deed of Accession dated June 28, 2019 for a loan with principal amounts in the aggregate not exceeding ₹800.0 million (U.S.$10.8 million) (the "**JSWDPPL Canara Bank Facility**").

The terms of the JSWDPPL Canara Bank Facility include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayment other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The JSWDPPL Canara Bank Facility includes customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

Working Capital Facilities

JSWDPPL has entered into facility agreements with ICICI Bank Limited and Axis Bank Limited for fund based and non-fund based limits (the "**JSWDPPL Working Capital Facilities**") not exceeding ₹300.0 million (U.S.$4 million) to fund its working capital requirements.

The JSWDPPL Working Capital Facilities include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayment other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The terms of the JSWDPPL Working Capital Facilities include customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

South West Port Limited ("SWPL") – Subsidiary Guarantor

Rupee Term Loans

SWPL has entered into a facility agreement dated November 10, 2020 with IndusInd Bank Limited for a loan with principal amounts in the aggregate not exceeding ₹4,000.0 million (U.S.$53.9 million) (the "**SWPL IndusInd Bank Facility**").

The terms of the SWPL IndusInd Bank Facility include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayment other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The SWPL IndusInd Bank Facility includes customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

Working Capital Facilities

SWPL has entered into facility agreements with ICICI Bank Limited, IndusInd Bank Limited and Axis Bank Limited for fund based and non-fund based limits (the "**SWPL Working Capital Facilities**") not exceeding ₹710.0 million (U.S.$9.6 million) to fund its working capital requirements.

The SWPL Working Capital Facilities include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayment other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The terms of the SWPL Working Capital Facilities include customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

Paradip East Quay Coal Terminal Private Limited ("PEQCTPL") – Subsidiary Guarantor

Rupee Term Loans

PEQCTPL has entered into a facility agreement dated November 1, 2017 with Exim Bank for a loan with principal amounts in the aggregate not exceeding ₹9,408.8 million (U.S.$126.7 million) (the "**PEQCTPL Exim Bank Facility**").

The terms of the PEQCTPL Exim Bank Facility include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayment other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The PEQCTPL EXIM Bank Facility includes customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

Working Capital Facilities

PEQCTPL has entered into a facility agreement dated November 1, 2017 with EXIM Bank for bank guarantee limits (the "**PEQCTPL Working Capital Facility**") not exceeding ₹706.4 million (U.S.$9.5 million) for financial and performance guarantee requirements.

The PEQCTPL Working Capital Facility include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayment other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The terms of the PEQCTPL Working Capital Facility include customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

JSW Paradip Terminal Private Limited ("JSWPTPL") – Subsidiary Guarantor

Rupee Term Loans

JSWPTPL has entered into a facility agreement dated February 29, 2016 with Yes Bank Limited, Bank of Baroda, Bank of Maharashtra and India Infrastructure Finance Company Limited for a loan with principal amounts in the aggregate not exceeding ₹4,400 million (U.S.$59.3 million) (the "**JSWPTPL Facilities**").

The terms of the JSWPTPL Facilities include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayment other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The JSWPTPL Facilities includes customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

Working Capital Facilities

JSWPTPL has entered into a facility agreement dated February 29, 2016 with Yes Bank Limited for bank guarantee limits (the "**JSWPTPL Working Capital Facility**") not exceeding ₹400 million (U.S.$5.4 million) for financial and performance guarantee requirements.

The JSWPTPL Working Capital Facility include covenants customary for facilities of this nature, including:

- incurring additional indebtedness other than as permitted;
- making restricted payments and prepayment other than as permitted;
- creating encumbrances other than as permitted; and
- change of control.

The terms of the JSWPTPL Working Capital Facility include customary event of default provisions wherein the lenders are entitled to, among other things, accelerate and/or foreclose on secured assets under the respective security documents agreements.

LEGAL PROCEEDINGS

Our Company and the Subsidiary Guarantors are involved in certain legal proceedings from time to time that are incidental to the normal conduct of our business and the nature of our industry. Our Company and the Subsidiary Guarantors are currently involved in a number of legal proceedings mostly arising in the ordinary course of their business including criminal proceedings, civil proceedings, tax proceedings, writ proceedings, environmental proceedings and land-related disputes. Our Company believes that the number of proceedings and disputes in which our Company the Subsidiary Guarantors are involved, are not unusual for a company its size in the context of doing business in India.

*Except as disclosed below, our Company and Subsidiary Guarantors are not involved in any pending: (i) civil and/or tax proceedings (including legal notices from tax authorities) which are quantifiable or in excess of Rs. 308.8 million (being approximately 1.00% of the net worth of our Company for Financial Year 2021) ("**Materiality Threshold**"); (ii) land-related proceedings where the amount involved is in excess of the Materiality Threshold; (iii) civil writ petitions (iv) environmental related proceedings (including any legal notices); (v) criminal proceedings and/or regulatory proceedings (including legal notices); (vi) any legal proceedings involving our Company or Subsidiary Guarantors which our Company believes could have a material adverse effect on the business, financial condition, results of operation or reputation of our Company; and (vii) any legal proceedings involving our Company's Directors and/or any other entity which our Company believes could have a material adverse effect on the business, financial condition, results of operation or reputation of our Company.*

I. Litigation involving our Company

Environmental proceedings

1. Thane Zilha Machhimar Madhyavarti Sahakari Sangh Maryadit and certain others ("**Appellants**") filed a memorandum of appeal in March 2016, under sections 14, 17 and 20 read with section 18(1) of the National Green Tribunal Act, 2010, as amended ("**Appeal**"), before the National Green Tribunal ("**NGT**"), Pune, Western Zone Bench against the Ministry of Environment, Forest and Climate Change ("**MoEF&CC**"), Maharashtra Coastal Zone Management Authority, Maharashtra Pollution Control Board, our Company and others, challenging the combined environmental clearance and coastal regulation zone clearance dated February 09, 2016 ("**Environmental Clearance**"), that was granted to our Company by the MoEF&CC to develop an all-weather captive port facility at Nandgaon. By way of an order dated March 5, 2019, the NGT, Principal Bench, New Delhi disposed of the Appeal ("**Impugned Order**") but increased the corporate social responsibility of the project proponent to Rs. 500 million. Our Company has filed an appeal dated June 18, 2019 before the Supreme Court of India challenging the increase in the amount of corporate social responsibility through the Impugned Order. Additionally, the Appellants have filed an appeal dated June 29, 2019 before the Supreme Court of India against the Impugned Order challenging the Environmental Clearance granted to our Company. Both appeals against the Impugned Order are currently pending before the Supreme Court of India.

Regulatory proceedings

2. Certain clarifications were sought by the ED in relation to a past downstream investment of approximately Rs. 93.5 million by M/s Steel Treaders Limited into JSW Infrastructure Limited in 2009. The Company has responded to the clarifications sought by the ED in 2018; and has not heard back from the ED since. Further, such investments have been duly returned by the Company. Adjudication and conclusion for this past investment is pending final hearing before the Deputy Director, ED, New Delhi.

II. Litigation involving the Subsidiary Guarantors

A. JSW Jaigarh Port Limited

Civil writ petitions

1. A writ petition has been filed by JSW Jaigarh Port Limited ("**Petitioner**") before the High Court of Bombay in October 2017 against the District Collector, Ratnagiri ("**Respondent**"/"**Collector**"), Maharashtra Maritime Board and certain others ("**Writ Petition**"). The Writ Petition is pursuant to the order passed by the Principal Secretary and Special Executive Officer (Appeals and Revisions), Mantralaya, Maharashtra on June 22, 2017 which remanded the matter of royalty imposed by the Collector on the Petitioner back to the Collector to re-assess and determine afresh the royalty on the purported excavation of minor minerals ("**Impugned Order**"). The Petitioner, pursuant to the agreement entered into with the State of Maharashtra, had dug out earth from land in the District Ratnagiri, Maharashtra and reused it for the purpose of leveling, filling and reclamation of the same ("**Excavated Land**"). The Collector through its notice dated December 5, 2014 had levied and demanded a royalty of about Rs. 30 million and a penalty levied thereon of about Rs. 530 million with respect to the Excavated Land for purported excavation of minor minerals. The Petitioner was instructed to pay the amount of royalty, while the wrongful levy of penalty of Rs. 530 million was set aside by the Additional Division Commissioner, Konkan Division, Mumbai in its order dated June 9, 2015 which was passed pursuant to the revision application filed by the Petitioner. Further, the Collector filed a revision before the Minister of Revenue, Mantralaya, Maharashtra for the order setting aside the penalty, to which the Petitioner had filed a cross revision which resulted in the Impugned Order. The Writ Petition is thus challenging the orders dated June 9, 2015 and June 22, 2017 with a prayer to initiate a refund of royalty paid by the Petitioner in the Writ Petition. The High Court of Bombay in the interim has granted a status quo on the matter. The Writ Petition is pending for hearing in due course.

2. A writ petition has been filed by Mr. Sarfaraz Gulam Saitwadekar ("**Petitioner**") against JSW Jaigarh Port Limited ("**Respondent**") and certain others before the High Court of Bombay on January 23, 2020 ("**Writ Petition**"). The Petitioner has alleged that the Petitioner along with other villagers are unable to carry out fishing activities in the vicinity of the Jaigarh Port due to reasons *inter alia* including lack of fishing space in the vicinity, restriction on entry to the channel and increase in diesel expense. The Petitioner has sought an order for implementation of the Government Resolution (Port Policy) of the State of Maharashtra dated August 28, 2010 by the Respondent and compensation to be provided thereunder to the Petitioner and other affected fisherfolk in the vicinity of the Jaigarh Port. The Writ Petition has not yet been admitted by the High Court of Bombay and is currently pending.

B. JSW Dharamtar Port Private Limited

Civil writ petitions

1. A writ petition has been filed by JSW Dharamtar Port Private Limited ("**Petitioner**") against the Maharashtra Maritime Board ("**MMB/Respondent**") and the State of Maharashtra before the High Court of Bombay ("**High Court**") on March 30, 2021 ("**Writ Petition**"), alleging wrongful invocation of a bank guarantee of Rs. 50 million which was furnished to MMB as a development guarantee by Axis Bank Limited ("**Bank Guarantee**"). The Bank Guarantee was extended to the Respondent following the terms of a letter of intent executed on August 20, 2014 and a subsequent lease agreement entered into on December 3, 2014 for development of 700 meters of waterfront at village Masad, Taluka Pen, District Raigad in Dharamtar ("**Construction Land**") to set up a captive jetty facility. The Writ Petition alleges that the Bank Guarantee was wrongfully invoked by MMB on account of delay in development of the captive jetty by the Petitioner. A reply has been filed by MMB on October 27, 2021 *inter alia* denying the illegality of the invocation of the bank guarantee by them. The matter is currently pending before the High Court for further hearing.

C. South West Port Limited

Civil writ petitions

1. South West Port Limited ("**Petitioner**") has filed a writ petition in the High Court of Bombay at Panaji, Goa ("**High Court**") against the State of Goa, Department of Science and Technology ("**Respondent**") and certain others on July 23, 2014, challenging the constitutional validity of the Goa Cess on Products and Substances Causing Pollution (Green Cess) Act, 2013 and the Goa Cess on Products and Substances Causing Pollution (Green Cess) (Functions and Duties of the Competent Authority, Assessment, Levy and Collection of Cess) Rules, 2014 ("**Impugned Legislations**"), on grounds of lack of legislative competency of the Respondent to pass such enactments. The Impugned Legislations levies a green cess of 0.5% on petroleum products including petrol, diesel, asphalt, bitumen and lubricants and a 2% green cess on coal and coke amongst other similar substances. The High Court through its interim order dated June 10, 2015 has instructed for no coercive steps to be taken against the Petitioner. The Respondent has filed an application against this interim order, to which the Petitioner has filed its reply. A reply to the writ petition has been filed by the Respondent dated April 30, 2018 *inter alia* claiming the Impugned Legislations to be a trite law and not open to imposition of stays. The petition is currently pending before the High Court for hearing.

Environmental proceedings

2. A public interest litigation has been filed by Mr. Sherwyn Phillepe Correia, Goa Foundation and others ("**Petitioners**") before the High Court of Bombay at Panaji, Goa ("**High Court**"), against the Goa State Pollution Control Board ("**GSPCB**"), Mormugao Port Trust, South West Port Limited and certain others on July 17, 2018, praying for an order to be passed by the High Court directing the total closure of operation of coal/coke handling at the Mormugao Port Trust ("**Port**") on grounds of consistent pollution caused by import and handling of the alleged 'dirty cargo' at the Port ("**PIL**"). A reply has been filed by South West Port Limited denying the allegations in the PIL. The matter is currently pending before High Court for hearing.

3. Goa State Pollution Control Board ("**GSPCB**"/"**Petitioner**") has filed a criminal writ petition in the High Court of Bombay at Panaji, Goa ("**High Court**") on December 18, 2020 against South West Port Limited ("**Respondent**") pursuant to order dated March 18, 2020 passed by the Session Judge at South Goa, Margao ("**Impugned Order**") in the criminal revision dated November 4, 2019, filed by the Respondent. The Impugned Order had dismissed the complaint filed before the Judicial Magistrate First Class, Vasco by GSPCB against the Respondent on November 21, 2017 for allegedly violating the conditions of the 'consent to operate' citing that the operation and handling of the material at each berth exceeded the permissible quantity of cargo under the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974. The Petitioner in the current petition has prayed for the Impugned Order to be quashed and set aside. The matter is currently pending before the High Court for hearing.

III. Other Material Proceedings

Ennore Coal Terminal Private Limited

Civil proceedings

1. The erstwhile Chettinad International Coal Terminal Private Limited ("**CICTPL**") (*now known as the Ennore Coal Terminal Private Limited*) had invoked arbitration proceedings before an arbitral tribunal comprising Mr. J. Kanakaraj, Mr. K.P. Sivasubramaniam and Mr. S. Rajeshwaran against Kamarajar Port Limited ("**KPL**") under a license agreement dated September 14, 2006 seeking *inter alia* (i) a restraint on KPL from demanding revenue share with respect to consultancy income; (ii) a refund of Rs. 53.7 million along with applicable interest paid by CICTPL for speedy evaluation charges; (iii) a restraint on KPL from demanding revenue share on windmill and tipper income; and

(iv) a refund of lease rentals of approximately Rs. 290.1 million along with applicable interest. The arbitral tribunal by way of an arbitral award dated August 26, 2019 partly allowed CICTPL claims ("**Award**"). Thereafter, an application filed by KPL under section 34 of the Arbitration and Conciliation Act, 1996, as amended, challenging the Award was dismissed by the High Court of Madras ("**Madras High Court Order**"). Subsequently, an appeal has been filed by KPL before the High Court of Madras for setting aside the Madras High Court Order. The appeal is currently pending before the High Court of Madras.

Regulatory proceedings

2. Tamil Nadu Power Producers Association ("**TNPPA**") had filed a complaint against erstwhile Chettinad International Coal Terminal Private Limited ("**CICTPL**") (*now known as the Ennore Coal Terminal Private Limited*) alleging abuse of dominance under section 4 of the Competition Act, 2002, as amended. The Competition Commission of India ("**CCI**"), after perusing the Director General's reports and the replies filed by CICTPL along with other documents produced on record, observed that the conduct of CICTPL was not arising out of dominance and accordingly directed the case to be closed by way of its order dated April 9, 2021 ("**CCI Order**"). Thereafter, TNPPA has filed an appeal before the National Company Law Appellate Tribunal, New Delhi ("**NCLAT**") against CICTPL and the CCI, challenging the CCI Order. The matter is currently pending before NCLAT for hearing.

TERMS AND CONDITIONS OF THE NOTES

The following (subject to completion and amendment and other than paragraphs in italics) will be the text of the Terms and Conditions of the Notes, which will be attached to the Global Certificates and will appear on the reverse of any Definitive Notes (as defined below). Except as described under "Global Certificates", Definitive Notes will not be issued in exchange for the Global Certificates. See "Global Certificates" for a summary of the registration, payment, transfer and other procedures that apply when the Notes are in global form.

*The issuance of the Notes will be as per applicable laws including, but not limited to, the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 and circulars and notifications issued thereunder by the Reserve Bank of India ("**RBI**"), from time to time including the Master Direction on External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019, as amended from time to time and any other applicable regulations, notifications, circulars or guidelines issued in respect of external commercial borrowings (collectively, the "**ECB Regulations**").*

The U.S.$400,000,000 4.95 per cent. senior secured notes due 2029 (the "**Notes**", which expressions shall in these terms and conditions of the Notes (these "**Conditions**"), unless the context otherwise requires, include any further notes issued pursuant to Condition 16 (*Further Issues*) and forming a single series with the Notes) issued by JSW Infrastructure Limited (the "**Company**") are constituted by a Trust Deed dated the date of issuance of the Notes (as may be amended and/or supplemented from time to time, the "**Trust Deed**") between the Company, JSW Jaigarh Port Limited, JSW Dharamtar Port Private Limited, South West Port Limited, JSW Paradip Terminal Private Limited and Paradip East Quay Coal Terminal Private Limited (collectively, the "**Subsidiary Guarantors**") and DB Trustees (Hong Kong) Limited (the "**Trustee**", which expression shall include all Persons for the time being the trustee or trustees under the Trust Deed) as trustee for itself and the Noteholders (as defined in Condition 1 (*Form, Denomination and Title*)). These Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the forms of the Definitive Notes (as defined below). Copies of the Trust Deed, the Agency Agreement dated the date of issuance of the Notes (as may be amended and/or supplemented from time to time, the "**Agency Agreement**") relating to the Notes between the Company, the Subsidiary Guarantors, the Trustee and the Agents (as defined below) and the Security Trustee Agreement ("**Security Trustee Agreement**") dated the date of issuance of the Notes between, among others, Catalyst Trusteeship Limited (the "**Security Trustee**") and the other relevant Security Documents (as defined below) are available at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) from Monday to Friday (excluding public holidays)) from the Trustee (presently at Level 60, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong) and from Deutsche Bank Trust Company Americas as the principal paying agent located at 1 Columbus Circle, 17th Floor, MS NYC01-1710, New York, NY 10019, United States (the "**Principal Paying Agent**", which expression shall include any successor principal paying agent appointed from time to time in connection with the Notes, and, together with any other paying agent appointed under the Agency Agreement, the "**Paying Agents**"), the registrar (the "**Registrar**", which expression shall include any successor registrar appointed from time to time in connection with the Notes) and the transfer agents (the "**Transfer Agents**", which expression shall include any additional or successor transfer agent appointed from time to time in connection with the Notes, and collectively with the Paying Agents and the Registrar being referred to as the "**Agents**") following prior written request and proof of holding and identity satisfactory to the Trustee or, as the case may be, the relevant Agent. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Trust Deed and the Security Documents, and are deemed to have notice of the provisions of the Agency Agreement and the Security Trustee Agreement as may be applicable to them. Certain terms used herein are defined in Condition 5.19 (*Definitions*). Capitalized terms that are not defined in these Conditions will have the meanings given to them in the Trust Deed.

*The owners shown in the records of The Depository Trust Company ("**DTC**") of book-entry interests in Notes are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of the provisions of the Agency Agreement applicable to them.*

1 FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Notes are in registered form in amounts of U.S.$200,000 and higher integral multiples of U.S.$1,000 (each an "**authorized denomination**"). A definitive certificate (each a "**Definitive Note**") will be issued to each Noteholder in respect of its registered holding or holdings of Notes. Each Definitive Note will be numbered serially with an identifying number, which will be recorded in the register (the "**Register**"), which the Company shall procure to be kept by the Registrar at its specified office. Save as provided in Condition 2.1 (*Transfer, Issue and Delivery*), each Definitive Note shall represent the entire holding of the Notes by the same Noteholder.

1.2 Title

Title to the Notes passes only by and upon registration in the Register. In these Conditions, "**Noteholder**" and "**holder**" means the Person in whose name a Note is registered in the Register (or in the case of a joint holding, the first named thereof). The holder of any Note will (except as ordered by a court of competent jurisdiction or as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on (other than an endorsed form of transfer), or theft or loss of, the Definitive Note issued in respect of it) and no Person will be liable for so treating the holder. Unless such term or condition expressly provides for the benefit of such Person for, no Person shall have any right to enforce any term or condition of the Notes or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999 to the extent it is not a party to the relevant document.

2 TRANSFERS OF NOTES AND ISSUE OF DEFINITIVE NOTES

2.1 Transfer, Issue and Delivery

A Note may be transferred in whole or in part in an authorized denomination upon the surrender of the Definitive Note issued in respect of that Note, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar or any Transfer Agent. In the case of a transfer of part only of a Note, a new Definitive Note in respect of the balance not transferred will be issued to the transferor within seven Business Days (as defined in Condition 8.2 (*Payment Initiation*) hereof) of receipt of such form of transfer and sent by uninsured mail at the risk of the holder (but free of charge to the holder and at the expense of the Company) to the address of the holder appearing in the Register. In the case of a transfer of Notes to a person who is already a Noteholder, a new Definitive Note representing the enlarged holding shall only be issued against surrender of the Definitive Note representing the existing holding. Each new Definitive Note to be issued upon a transfer of Notes will, within seven Business Days of receipt of such form of transfer, be sent by uninsured mail at the risk of the holder entitled to the Note in respect of which the relevant Definitive Note is issued to such address as may be specified in such form of transfer. Notes may be transferred in accordance with this Condition 2 (*Transfers of Notes and Issue of Definitive Notes*) and the Agency Agreement but not otherwise exchanged. No transfer of a Note shall be valid unless and until entered into the Register.

2.2 Formalities Free of Charge

Registration of transfer of Notes will be effected without charge by or on behalf of the Company, the Registrar or any Transfer Agent, but upon payment (or the giving of such indemnity, security or pre-funding as the Registrar or the relevant Transfer Agent may require) in respect of any tax or other governmental charges which may be imposed in relation to it.

2.3 Closed Periods

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 days ending on the due date for any payment of principal and premium (if any) and/or interest on that Note or (ii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 8 (*Payments*)).

2.4 Regulations Concerning Transfer and Registration

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes (the "**Regulations**", the initial form of which is scheduled to the Agency Agreement). The Regulations may be changed by the Company with the prior written approval of the Registrar and the Trustee, or by the Registrar with the prior written approval of the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder for inspection at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) from Monday to Friday (excluding public holidays)) at the specified office of the Registrar following prior written request and proof of holding and identity satisfactory to the Registrar.

3 STATUS

The Notes constitute (subject to Condition 5.2 (*Limitation on Liens*)) direct, general, secured, unconditional and unsubordinated obligations of the Company and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Company under the Notes shall at all times rank at least *pari passu* with all of its other present and future outstanding secured, unconditional and unsubordinated obligations but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

The guarantees by each Subsidiary Guarantor (each, a "**Subsidiary Guarantee**") constitute direct, general, unsecured and unsubordinated obligations of the Subsidiary Guarantors. The payment obligations of each Subsidiary Guarantor under its Subsidiary Guarantee shall at all times rank at least *pari passu* with all of its other present and future outstanding unsecured and unsubordinated obligations but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights. The Subsidiary Guarantees shall become effective within 90 (ninety) days from the Original Issue Date.

The Subsidiary Guarantee of a Subsidiary Guarantor will be released:

(1) with respect to the Subsidiary Guarantee provided by JSW Jaigarh Port Limited only, upon occurrence of the Issuer — JSW Jaigarh Merger (as defined below);

(2) upon repayment in full of the Notes; and

(3) upon the sale of such Subsidiary Guarantor in compliance with the terms of the Trust Deed and the Notes (including the covenant under Condition 5.4 (*Limitation on Asset Sales*)) resulting in such Subsidiary Guarantor no longer being a Restricted Subsidiary, so long as (i) such Subsidiary Guarantor is simultaneously released from its obligations in respect of any of the Company's other Indebtedness or any Indebtedness of any other Restricted Subsidiary and (ii) the proceeds from such sale or disposition are used for the purposes permitted or required by the Trust Deed and the Notes.

No release of a Subsidiary Guarantor from its Subsidiary Guarantee shall be effective against the Trustee or the Noteholders until the Company has delivered to the Trustee an Officer's Certificate stating that all requirements relating to such release have been complied with and that such release is authorized and permitted by the Trust Deed.

4 SECURITY

The Notes shall be secured pursuant to the Security Documents under which the Company shall grant the following security interests in favour of the Security Trustee:

(a) By the Company:

(i) a pledge of 100% (one hundred percent) of the shares in each of the Subsidiary Guarantors which are held by the Company. For the avoidance of doubt, it is hereby clarified that any nominee shareholders of the Company holding shares in the respective Subsidiary Guarantors as nominees of the Company shall not be pledging such nominee shareholding in the respective Subsidiary Guarantors (the "**Initial Share Pledges**"); and

(ii) a first and exclusive *pari passu* charge by way of hypothecation (together with power of attorney) over all the Notes Issuer Loans and rights of the Company under the Notes Issuer Loan Documents (the "**Initial Charge**").

(b) The Company shall:

(i) create and perfect the Initial Share Pledges above within 150 (one hundred and fifty) days from the Original Issue Date; and

(ii) create and perfect the Initial Charge within 150 (one hundred and fifty) days from the Original Issue Date.

For the purpose of this Condition 4 (*Security*):

"**Notes Issuer Loans**" shall mean the loans provided by the Company out of the proceeds of the Notes to the relevant Restricted Subsidiaries by way of unsecured senior inter-entity loans pursuant to the terms of the Notes Issuer Loan Documents.

"**Notes Issuer Loan Documents**" shall mean the loan agreements executed by the Company, as the lender, with the relevant Restricted Subsidiaries as borrowers, to provide the Notes Issuer Loans.

Pursuant to the proviso sub-clause (a) to Condition 5.14 (*Consolidation, Merger and Sale of Assets*), in the event the Company is merged into JSW Jaigarh Port Limited (the "**Issuer — JSW Jaigarh Merger**") (which if undertaken shall be subject to the receipt of all necessary lenders, regulatory or governmental approvals or consents (as applicable), including without limitation, of the concessioning authority of JSW Jaigarh Port Limited, i.e., the Maharashtra Maritime Board (the "**Authority**")):

(i) the Subsidiary Guarantee from JSW Jaigarh Port Limited will be released upon occurrence of the Issuer — JSW Jaigarh Merger;

(ii) the pledge of shares of each of the Subsidiary Guarantors will be released and post the completion of the Issuer — JSW Jaigarh Merger, the shares of all the Subsidiary Guarantors other than JSW Jaigarh Port Limited will be repledged by JSW Jaigarh Port Limited as the shareholder (instead of the Company) (the "**Replacement Share Pledges**"). Such pledge documents are referred to as the "**Replacement Pledge Documents**";

(iii) to the extent permitted by the Authority in its approval of the Issuer — JSW Jaigarh Merger, JSW Jaigarh Port Limited as the successor issuer of the Notes shall (a) create and perfect a first ranking *pari passu* security interest over the fixed assets and current assets pertaining to JSW Jaigarh Port Limited (the "**JSW Jaigarh Assets**") and (b) extend benefit of substitution under the concession agreement for JSW Jaigarh Port Limited to the holders of the Notes, in each case subject to and to such extent and in such manner permitted under the concession agreement for JSW Jaigarh Port Limited. Such security documents are referred to as the "**Subsequent JSW Jaigarh Port Security Documents**", and together with the security documents executed and/or to be executed for the Initial Share Pledges, the Initial Charge and the Replacement Pledge Documents, the "**Security Documents**". The Initial Share Pledges, the Initial Charge, the Replacement Share Pledges and the JSW Jaigarh Assets are collectively (but without duplication) referred to as the "**Collateral**".

The Replacement Pledge Documents and the Subsequent JSW Jaigarh Port Security Documents shall be executed and the corresponding security interests thereunder shall be perfected within 210 (two hundred and ten) days from the date on which the Issuer — JSW Jaigarh Merger is approved by an order of the relevant benches of the National Company Law Tribunal. It is hereby clarified that any security interest created pursuant to the Subsequent JSW Jaigarh Port Security Documents shall rank on a first *pari passu* basis with other senior secured lenders of JSW Jaigarh Port Limited and appropriate *pari passu* letters/security sharing arrangements will be executed/exchanged between the Trustee and the other senior secured lenders of JSW Jaigarh Port Limited.

Permitted Pari Passu Secured Indebtedness

The Company and any Subsidiary Guarantor may create Liens on the Collateral (other than the Initial Charge) *pari passu* with the Lien for the benefit of the Holders and the creditors under the Existing Senior Indebtedness (to the extent such Indebtedness remains outstanding thereunder) to secure certain future Senior Indebtedness of the Company (including Additional Notes) or any Subsidiary Guarantor, provided that the Company or such Subsidiary Guarantor was permitted to Incur (as defined in Condition 5.19 (*Definitions*)) such Indebtedness, and such Indebtedness was Incurred, under Condition 5.1(a), (b)(iv) or (b)(xv) and any Permitted Refinancing Indebtedness of such Indebtedness Incurred under Condition 5.1(b)(iii) (such Indebtedness of the Company including Additional Notes (if applicable), "**Permitted Pari Passu Secured Indebtedness**"). Such Liens on the Collateral (other than the Initial Charge) under such Permitted Pari Passu Secured Indebtedness shall be created by the Company in favour of the Security Trustee acting as an agent for the benefit of such Person providing such Permitted Pari Passu Secured Indebtedness.

Except for certain Permitted Liens (including the Liens on the Collateral securing the Existing Senior Indebtedness, Permitted Refinancing Indebtedness and Permitted Pari Passu Secured Indebtedness), the Company and its Restricted Subsidiaries will not be permitted to Incur any other Indebtedness secured by all or any portion of the Collateral without the consent of each Holder of the Notes then outstanding.

5 COVENANTS

5.1 Limitation on Indebtedness

(a) So long as any Note remains outstanding (as defined in the Trust Deed), the Company will not, and will not permit any Restricted Subsidiary to, Incur, directly or indirectly, any Indebtedness; provided that the Company, any Subsidiary Guarantor and any Restricted Subsidiary may Incur Indebtedness, if, after giving pro forma effect to the Incurrence of such Indebtedness and the application of the proceeds therefrom:

(i) no Default would occur as a consequence of such Incurrence or be continuing following such Incurrence; and

(ii) the Indebtedness to Tangible Net Worth Ratio for the Company's most recently ended annual period for which consolidated financial statements of the Company are available immediately preceding the date on which such Indebtedness is Incurred shall not be greater than 3.0:1.0.

(b) Notwithstanding the foregoing, but subject to paragraphs (c), (d), (e) and (f) of this Condition 5.1 (*Limitation on Indebtedness*), the Company and any Restricted Subsidiary may Incur the following:

(i) Indebtedness of the Company evidenced by the Notes existing as at the Original Issue Date;

(ii) Indebtedness existing as at the Original Issue Date and any refinancing thereof;

(iii) Indebtedness of the Company or any Restricted Subsidiary ("**Permitted Refinancing Indebtedness**") issued in exchange for, or the net proceeds of which are used to refinance, replace, exchange, renew, repay, defease, discharge or extend, then outstanding Indebtedness permitted to be Incurred under paragraph (a) or (b)(i), (ii), (xv) or (xvi) of this Condition 5.1 (*Limitation on Indebtedness*) (and any refinancings thereof in an amount not to exceed the amount so refinanced (plus premiums, defeasance costs, accrued interest, fees and expenses); provided that:

(I) Indebtedness the proceeds of which are used to refinance the Notes or Indebtedness that is *pari passu* with, or subordinated in right of payment to, the Notes or any Subsidiary Guarantee, will only be permitted under this clause (iii) if (x) in case the Notes are refinanced in part or the Indebtedness to be refinanced is *pari passu* with the Notes or any Subsidiary Guarantee, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is outstanding, is *pari passu* with, or expressly made subordinate in right of payment to, the remaining Notes or Subsidiary Guarantee (as the case may be) or (y) in case the Indebtedness to be refinanced is subordinated in right of payment to the Notes or any Subsidiary Guarantee, as the case may be, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is issued or remains outstanding, is expressly made subordinate in right of payment to the Notes or such Subsidiary Guarantee, as the case may be, at least to the extent that the Indebtedness to be refinanced is subordinated to the Notes or such Subsidiary Guarantee, as the case may be;

(II) such new Indebtedness, determined as of the date of Incurrence of such new Indebtedness, does not mature prior to the earlier of (x) the Stated Maturity of the Indebtedness to be refinanced and (y) the Stated Maturity of the Notes; and the Average Life of such new Indebtedness is at least equal to the shorter of the remaining Average Life of the Indebtedness to be refinanced and the remaining Average Life of the Notes;

(III) such new Indebtedness is Incurred either by the Company or the Restricted Subsidiary who is the obligor on the Indebtedness being refinanced; and

(IV) the Indebtedness to be refinanced is fully and irrevocably repaid no later than 90 days after the Incurrence of the Permitted Refinancing Indebtedness;

(iv) Indebtedness Incurred by the Company or any Restricted Subsidiary pursuant to hedging obligations entered into solely to protect the Company from fluctuations in interest rates, foreign currency exchange rates or commodity prices and not for speculation;

(v) Indebtedness of the Company or any Restricted Subsidiary constituting reimbursement obligations with respect to letters of credit, trade guarantees, bank guarantees or bankers' acceptances issued in the ordinary course of business to the extent that such letters of credit, guarantees or bankers' acceptances are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than the 60 days following receipt by the Company of a demand for reimbursement;

(vi) any Subordinated Shareholder Affiliate Loan;

(vii) any Notes Issuer Loans;

(viii) any trade credit arising in the ordinary course of business;

(ix) any workers' compensation claims, self-insurance obligations, bankers' acceptances, performance bonds, surety bonds and similar obligations in the ordinary course of business;

(x) any bid bond in relation to the Company or any of the Restricted Subsidiaries;

(xi) any performance guarantees by the Company and/or the Restricted Subsidiaries in relation to the Permitted Business;

(xii) Indebtedness of the Company owed to any Restricted Subsidiary and Indebtedness of any Restricted Subsidiary owed or issued to the Company or any other Restricted Subsidiary; provided that any event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any subsequent transfer of such Indebtedness (other than to the Company or any other Restricted Subsidiary) shall be deemed, in each case, to constitute an Incurrence of such Indebtedness not permitted by this clause (xii);

(xiii) guarantees by the Company or any Restricted Subsidiary (including any Pari Passu Guarantee) of Indebtedness of the Company or any Restricted Subsidiary that was expressly permitted to be Incurred by another provision of this Condition 5.1 (*Limitation on Indebtedness*);

(xiv) Indebtedness of the Company or any Restricted Subsidiary constituting an obligation to pay the deferred purchase price to the seller of Capital Stock of a Restricted Subsidiary pursuant to a Staged Acquisition Agreement, to the extent that such deferred purchase price is paid within 12 months after the date the Company or such Restricted Subsidiary into becomes obligated to pay such deferred purchase price pursuant to such Staged Acquisition Agreement;

(xv) Indebtedness Incurred by the Company or any Restricted Subsidiary with a maturity of one year or less for working capital in an aggregate principal amount outstanding at any time (together with any refinancings thereof) not to exceed U.S.$25 million (or the Dollar Equivalent thereof); or

(xvi) Indebtedness Incurred by the Company or any Restricted Subsidiary in an aggregate principal amount outstanding at any time (together with any refinancings thereof) not to exceed U.S.$50 million (or the Dollar Equivalent thereof).

(c) Notwithstanding the foregoing, none of the Subsidiary Guarantors shall be permitted to guarantee any Indebtedness of any Restricted Subsidiary that is not a Subsidiary Guarantor, unless: (i) such Restricted Subsidiary provides a Subsidiary Guarantee with respect to the Notes and becomes a Subsidiary Guarantor (a "**Future Subsidiary Guarantor**") and (ii) the Company shall pledge or shall cause to be pledged all the Capital Stock of such Future Subsidiary Guarantor as soon as practicable after such Restricted Subsidiary becomes a Subsidiary Guarantor as part of the Collateral securing the Notes.

(d) For purposes of determining compliance with this Condition 5.1 (*Limitation on Indebtedness*), in the event that an item of Indebtedness meets the criteria of more than one of the types of Indebtedness described in Conditions 5.1(a) and 5.1(b) above, the Company, in its sole discretion, shall classify, and from time to time may reclassify, such item of Indebtedness (or any portion thereof) and only be required to include the amount of such Indebtedness as one of such types.

(e) For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Indebtedness, the U.S. dollar equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; *provided* that if such Indebtedness is Incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such Permitted Refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced (plus premium, accrued interest, fees and expenses). Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that may be Incurred pursuant to this covenant will not be deemed to be exceeded with respect to any outstanding Indebtedness due solely to the result of fluctuations in the exchange rates of currencies. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such Permitted Refinancing Indebtedness is denominated that is in effect on the date of such refinancing.

(f) Accrual of interest, accrual of dividends, the accretion of accreted value, the amortization of debt discount and the payment of interest in the form of additional Indebtedness will not be deemed to be an Incurrence of Indebtedness for purposes of this covenant.

5.2 Limitation on Liens

(a) The Company will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind upon any Collateral (other than Permitted Liens).

(b) The Company will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind (other than Permitted Liens) upon any assets (other than the Collateral), now owned or hereafter acquired, unless the Notes are secured on an equal and rateable basis with the obligations so secured until such time as such obligations are no longer secured by such Lien.

*The creation of Liens over any Indian assets under Condition 5.2 (Limitation on Liens) shall require prior approval of the authorized dealer bank ("**AD Bank**"), as the case may be, in accordance with the ECB Regulations.*

5.3 Restricted Payments

(a) The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on or with respect to the Company's or any Restricted Subsidiary's Capital Stock (other than dividends or distributions payable solely (x) in shares of the Company's Capital Stock or dividends or distributions by a Restricted Subsidiary payable in shares of its Capital Stock (in each case, other than Disqualified Stock or Preferred Stock) or (y) in options, warrants or other rights to acquire shares of such Capital Stock) held by Persons other than the Company or any Restricted Subsidiary;

(2) purchase, call for redemption or redeem, retire or otherwise acquire for value any shares of Capital Stock (including options, warrants or other rights to acquire such shares of Capital Stock) of the Company or any direct or indirect parent of the Company held by any Person other than the Company or any Restricted Subsidiary;

(3) (x) make any voluntary or optional payment, or voluntary or optional redemption, repurchase, or other acquisition or retirement for value, of Indebtedness that is subordinated in right of payment to the Notes or any Guarantee ("**Subordinated Indebtedness**") or (y) make any payment in respect of any Subordinated Shareholder Affiliate Loan, including the making of any payment of accrued interest thereon, in each case excluding any intercompany Indebtedness between or among the Company and any Restricted Subsidiary or among Restricted Subsidiaries (other than, for the avoidance of doubt, any payments in relation to the Notes Issuer Loans); or

(4) make any Investment, other than a Permitted Investment;

if (the payments or any other actions described in clauses (1) through (4) above being collectively referred to as "**Restricted Payments**"), at the time of and after giving effect to such Restricted Payment:

(i) a Default has occurred and is continuing or would occur as a result of such Restricted Payment;

(ii) the Company could not Incur at least U.S.$1.00 of Indebtedness under the Indebtedness to Tangible Net Worth Ratio test in paragraph (a) of Condition 5.1 (*Limitation on Indebtedness*); or

(iii) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and the Restricted Subsidiaries after the Original Issue Date, shall exceed the sum (without duplication) of:

(A) 50.0 per cent. of the aggregate amount of the Consolidated Net Income of the Company and its Restricted Subsidiaries (or, if the Consolidated Net Income is a loss, minus 100.0 per cent. of the amount of such loss) accrued on a cumulative basis during the period (taken as one accounting period) beginning on the first day of the fiscal quarter period in which the Original Issue Date occurs and ending on the last day of the Company's most recently ended fiscal

quarter for which consolidated financial statements of the Company are available (which may be internal financial statements) at the time of such Restricted Payment; plus

(B) 100.0 per cent. of the aggregate net cash proceeds received by the Company after the Original Issue Date as a capital contribution to its common equity or from the issuance and sale of the Company's Capital Stock (other than Disqualified Stock), including the sale of options and warrants to purchase Capital Stock (other than Disqualified Stock), to a Person who is not a Subsidiary of the Company, including any such net cash proceeds received upon the exercise by a Person who is not a Subsidiary of the Company of any options, warrants or other rights to acquire Capital Stock of the Company (other than Disqualified Stock), in each case after deducting the amount of any such net cash proceeds used to redeem, repurchase, or otherwise acquire or retire for value any Subordinated Indebtedness or Subordinated Shareholder Affiliate Loan of the Company or any Subsidiary Guarantor or Capital Stock of the Company; plus

(C) an amount equal to the net reduction in Investments (other than reductions in Permitted Investments) that were made after the Original Issue Date in any Person resulting from (i) payments of interest on Indebtedness, dividends or repayments of loans or advances by such Person, in each case, to the Company or any of its Restricted Subsidiaries (except, in each case, to the extent any such payment or proceeds are included in the calculation of Consolidated Net Income), (ii) the unconditional release of a Guarantee provided by the Company or any of its Restricted Subsidiaries after the Original Issue Date of an obligation of another Person, (iii) to the extent that an Investment made after the Original Issue Date is sold or otherwise liquidated or repaid for cash, the lesser of (x) the initial amount of such Investment and (y) the Net Cash Proceeds from the sale of any such Investment (except to the extent such proceeds are included in the calculation of Consolidated Net Income), or (iv) redesignations of Unrestricted Subsidiaries as Restricted Subsidiaries, not to exceed, in each case, the amount of Investments made by the Company or any of its Restricted Subsidiaries after the Original Issue Date in any such Person and treated as a Restricted Payment; plus

(D) the amount by which Indebtedness of the Company or any if its Restricted Subsidiaries is reduced on the Company's consolidated balance sheet upon the conversion or exchange (other than by a Subsidiary of the Company) subsequent to the Original Issue Date of any Indebtedness of the Company or any of its Restricted Subsidiaries convertible or exchangeable into Capital Stock (other than Disqualified Stock) of the Company (less the amount of any cash, or the Fair Market Value of any other property, distributed by the Company or any of its Restricted Subsidiaries upon such conversion or exchange); plus

(E) U.S.$10 million (or the Dollar Equivalent thereof).

(b) The foregoing provision shall not be violated by reason of:

(1) the payment of any dividend or redemption of any Capital Stock within 60 days after the related date of declaration or call for redemption if, at said date of declaration or call for redemption, such payment or redemption would comply with the preceding paragraph;

(2) the redemption, repurchase, discharge or other acquisition or retirement for value of Subordinated Indebtedness of the Company or any Subsidiary Guarantor with the net cash proceeds of, or in exchange for, a substantially concurrent Incurrence of Indebtedness issued in exchange for, or the net proceeds of which are used to refinance or refund, replace, exchange, renew, repay, redeem, discharge or extend, such Subordinated Indebtedness; provided that such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is issued or remains outstanding, is expressly made subordinate in right of payment to the Notes or such Subsidiary Guarantee, as applicable, at least to the extent that the Subordinated Indebtedness to be refinanced is subordinated to the Notes or such Subsidiary Guarantee, as applicable;

(3) the redemption, repurchase or other acquisition of Capital Stock of the Company (or options, warrants or other rights to acquire such Capital Stock) in exchange for, or out of the net cash proceeds of, a substantially concurrent capital contribution or sale (other than to a Subsidiary of the Company) of, shares of Capital Stock (other than Disqualified Stock) of the Company (or options, warrants or other rights to acquire such Capital Stock); provided that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from clause (a)(iii)(B) of the preceding paragraph;

(4) the redemption, repurchase or other acquisition or retirement for value of Subordinated Indebtedness of the Company or any Subsidiary Guarantor in exchange for, or out of the net cash proceeds of, a substantially concurrent capital contribution or sale (other than to a Subsidiary of the Company) of, shares of Capital Stock (other than Disqualified Stock) of the Company (or options, warrants or other rights to acquire such Capital Stock); provided that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from clause (a)(iii)(B) of the preceding paragraph;

(5) the payment of any dividends or distributions declared, paid or made by a Restricted Subsidiary payable on a pro rata basis or on a basis more favourable to the Company or another Restricted Subsidiary to all holders of any class of Capital Stock of such Restricted Subsidiary, a majority of which is held, directly or indirectly, through Restricted Subsidiaries, by the Company;

(6) the redemption, repurchase or other acquisition of Capital Stock of the Company, from employees, former employees, directors or former directors of the Company or any of its Subsidiaries (or permitted transferees of such persons), or their authorized representatives pursuant to (i) any employee benefit plan in an aggregate amount not to exceed U.S.$15 million (or the Dollar Equivalent thereof) per fiscal year (provided that any and all unused amounts under this clause (6)(i) shall be carried over to subsequent fiscal years and shall not expire) or (ii) any employee benefit plan existing on the Original Issue Date; and

(7) the making of any other Restricted Payment by the Company or any Restricted Subsidiary in an aggregate amount, together with all other Restricted Payments made by the Company and its Restricted Subsidiaries under this sub-paragraph (7) (and for avoidance of doubt not including Restricted Payments that may be made under sub-paragraph (1) to (6) above), not to exceed U.S.$15 million (or the Dollar Equivalent thereof);

provided that, in the case of clause (7) above, no Default shall have occurred and be continuing or would occur as a consequence of the actions or payments set forth therein.

(c) Except as otherwise set forth in the preceding paragraph, each Restricted Payment permitted pursuant to the preceding paragraph (b) shall be excluded in calculating whether the conditions of Condition 5.3(a)(iii) (*Restricted Payments*) have been met with respect to any subsequent Restricted Payments.

(d) The amount of any Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or any Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The value of any assets or securities that are required to be valued by this covenant will be the Fair Market Value. The Board of Directors' determination of the Fair Market Value of a Restricted Payment or any such assets or securities must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of recognized international standing (or a local affiliate thereof) if the Fair Market Value exceeds U.S.$15.0 million (or the Dollar Equivalent thereof).

5.4 Limitation on Asset Sales

(a) The Company will not, and will not permit any Restricted Subsidiary to, consummate any Asset Sale, unless:

(1) no Default shall have occurred and be continuing or would occur as a result of such Asset Sale;

(2) the consideration received by the Company or such Restricted Subsidiary is at least equal to the Fair Market Value of the assets sold or disposed of; and

(3) at least 75.0 per cent. of the consideration received consists of cash, Temporary Cash Equivalents or Replacement Assets (as defined below), or any combination thereof.

For purposes of this provision, each of the following will be deemed to be cash:

(1) any liabilities, as shown on the most recent consolidated statement of financial position of the Company (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Subsidiary Guarantee) that are assumed by the transferee of any such assets pursuant to a customary assumption, assignment, novation or similar agreement that irrevocably and unconditionally releases the Company or Restricted Subsidiary from further liability; and

(2) any securities, notes or other obligations received by the Company or any Restricted Subsidiary from such transferee that are promptly, but in any event within 30 days of closing, converted by the Company or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion.

(b) Within 360 days after the receipt of any Net Cash Proceeds from an Asset Sale, such Net Cash Proceeds may be applied (a) to repay Senior Indebtedness of the Company or a Restricted Subsidiary (and if such Indebtedness is revolving credit Indebtedness, to permanently reduce such commitments), in each case owing to a Person other than the Company or a Restricted Subsidiary; (b) to make capital expenditures for a Permitted Business; (c) to acquire properties and assets that are used or will be used in a Permitted Business, or to acquire all or substantially all of the assets or the Capital Stock of a Person or a line of business which is a Permitted Business; or (d) any combination of the foregoing ((b) and (c), collectively, "**Replacement Assets**"); provided that any such acquisition made pursuant to a definitive binding agreement or a commitment approved by the Board of Directors of the Company or a Restricted Subsidiary that is executed or

approved within such time will satisfy this requirement, so long as such acquisition is consummated within 180 days after such 360th day. Pending the application of the Net Cash Proceeds in accordance with the foregoing, such Net Cash Proceeds may be invested in Temporary Cash Equivalents.

(c) Any Net Cash Proceeds from Asset Sales that are not applied or invested as specified above will constitute "**Excess Proceeds**". When the aggregate amount of Excess Proceeds exceeds U.S.$10.0 million (or the Dollar Equivalent thereof), within 10 days thereof, the Company must make an offer (an "**Excess Proceeds Repurchase Offer**") to purchase the Notes at 100.0 per cent. of the principal amount of the Notes and any *pari passu* Indebtedness similarly required to be repaid, redeemed or tendered for in connection with the Asset Sale, plus accrued and unpaid interest, if any, to (but excluding) the applicable date of purchase. If the aggregate principal amount of Notes and *pari passu* Indebtedness tendered into such Excess Proceeds Repurchase Offer exceeds the amount of Excess Proceeds, the Notes and such *pari passu* Indebtedness will be purchased on a pro rata basis. Any remaining proceeds after such Excess Proceeds Repurchase Offer may be used for any purpose not otherwise prohibited under the Trust Deed. Upon completion of each Excess Proceeds Repurchase Offer, the amount of Excess Proceeds will be reset at zero.

(d) The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of an Asset Sale. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of the Trust Deed, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Condition 5.4 (*Limitation on Asset Sales*) by virtue of such compliance.

5.5 Transactions with Affiliates

(a) The Company will not, and will not permit any Restricted Subsidiary to, enter into any transaction or series of related transactions involving aggregate consideration in excess of U.S.$2.0 million (or the Dollar Equivalent thereof) with (a) any holder of 10.0% or more of any class of Capital Stock of the Company or (b) any Affiliate of the Company (each, an "**Affiliate Transaction**"), unless:

(1) the Affiliate Transaction is on terms that are no less favorable to the Company or such Restricted Subsidiary than those that would have been obtained in a comparable arm's length transaction by the Company or such Restricted Subsidiary, as the case may be, with a Person that is not such a holder or Affiliate of the Company; and

(2) the Company delivers to the Trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of U.S.$10.0 million (or the Dollar Equivalent thereof), an Officer's Certificate, with a copy of the relevant Board Resolution enclosed, certifying that such Affiliate Transaction complies with this covenant and such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Company; *provided, however, that*, if no disinterested member of the Board of Directors of the Company exists with respect to any Affiliate Transaction, the transaction may be approved by a majority of the members of the Board of Directors of the Company if the requirements of clause (2)(b) below are met with respect to such Affiliate Transaction as if it involved aggregate consideration in excess of U.S.$15.0 million; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of U.S.$15.0 million (or the Dollar Equivalent thereof), an opinion issued by an accounting, appraisal or investment banking firm of internationally recognized standing (or a local affiliate thereof) stating either (i) that such Affiliate Transaction is, or series of related Affiliate Transactions are, fair to the Company or such Restricted Subsidiary from a financial point of view or (ii) that the terms of such Affiliate Transaction is, or series of related Affiliate Transactions are, not materially less favorable to the Company or such Restricted Subsidiary than those that would have been obtained in a comparable arm's length transaction by the Company or such Restricted Subsidiary, as the case may be, with a Person that is not such a holder or Affiliate of the Company.

(b) The foregoing limitation does not limit, and will not apply to:

(1) directors' fees, indemnification, expense reimbursement and similar arrangements (including the payment of directors and officers insurance premiums), employee salaries, bonuses, employment agreements and arrangements, compensation or employee benefit arrangements, including stock options or legal fees and fees and compensation paid to consultants and agents;

(2) transactions between or among the Company and its Restricted Subsidiaries or between or among Restricted Subsidiaries including any transactions contemplated under the Notes Issuer Loan Documents;

(3) any agreement between any Person and an Affiliate of such Person existing at the time such Person is acquired by or merged into the Company or any of the Restricted Subsidiaries; *provided that* such agreement was not entered into in contemplation of such acquisition or merger;

(4) any Restricted Payments not prohibited by the "— Restricted Payments" covenant;

(5) transactions pursuant to agreements in effect on the Original Issue Date and described in the Offering Memorandum, or transactions of a similar nature in the future, or any amendment or modification or replacement thereof, so long as such new transaction, amendment, modification or replacement is on terms that are no less favorable to the Company or such Restricted Subsidiary than those that would have been obtained in a comparable arm's length transaction by the Company or such Restricted Subsidiary, as the case may be, with a Person that is not such a holder or Affiliate of the Company;

(6) transactions with customers, clients, suppliers or purchasers or sellers of goods or services or insurance or lessors or lessees or providers of employees or other labour or property, in each case, in the ordinary course of business and on terms that are no less favourable than those that would have been obtained in a comparable arm's length transaction with a Person that is not such a holder or an Affiliate of the Company; and

(7) any issuance of Equity Interests (other than Disqualified Stock) of the Company or Subordinated Shareholder Affiliate Loans of the Company to Affiliates of the Company.

5.6 Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

(a) The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on any Capital Stock of such Restricted Subsidiary owned by the Company or any other Restricted Subsidiary;

(2) pay any Indebtedness or other obligation owed to the Company or any other Restricted Subsidiary;

(3) make loans or advances to the Company or any other Restricted Subsidiary; or

(4) sell, lease or transfer any of its property or assets to the Company or any Restricted Subsidiary;

provided that (i) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on Common Stock; (ii) the subordination of loans or advances made to any Restricted Subsidiary to other Indebtedness Incurred by any Restricted Subsidiary; and (iii) provisions requiring transactions to be on fair and reasonable terms or on an arm's length basis, in each case, shall not be deemed to constitute such an encumbrance or restriction.

(b) The foregoing restrictions will not apply to encumbrances or restrictions:

(1) existing in agreements as in effect on the Original Issue Date and any extensions, refinancings, renewals, supplements, amendments or replacements of any of the foregoing agreements; provided that the encumbrances and restrictions in any such extension, refinancing, renewal, supplement, amendment or replacement are not materially more restrictive, taken as a whole, than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced, as determined in good faith by the Board of Directors of the Company;

(2) existing under or by reason of applicable law, rule, regulation or order;

(3) with respect to any Person or the property or assets of such Person that is designated a Restricted Subsidiary or is acquired by the Company or any Restricted Subsidiary, existing at the time of such designation or acquisition and not incurred in contemplation thereof, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Person or the property or assets of such Person so designated or acquired, and any extensions, refinancings, renewals or replacements thereof; provided that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement are not materially more restrictive, taken as a whole, than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced, as determined in good faith by the Board of Directors of the Company;

(4) if they arise, or are agreed to in the ordinary course of business, and that (x) restrict in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease, license or similar contract, (y) exist by virtue of any Lien on, or agreement to transfer, option or similar right with respect to any property or assets of the Company or any Restricted Subsidiary not otherwise prohibited by the Trust Deed or that limit the right of the debtor to dispose of assets subject to a Lien not otherwise prohibited by the Trust Deed or (z) do not relate to

any Indebtedness, and that do not, individually or in the aggregate, detract from the value of property or assets of the Company or any Restricted Subsidiary in any manner material to the Company or any Restricted Subsidiary;

(5) with respect to a Restricted Subsidiary and imposed pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock of, or property and assets of, such Restricted Subsidiary that is permitted by Condition 5.4 (*Limitation on Asset Sales*);

(6) arising from provisions in joint venture agreements and other similar agreements entered into in the ordinary course of business if the encumbrances or restrictions (i) are customary for such types of agreements and (ii) would not, at the time agreed to, be expected to materially adversely affect the ability of the Company or any Subsidiary Guarantor to make required payments on the Notes or any Subsidiary Guarantee, as determined in good faith by the Board of Directors of the Company; or

(7) with respect to any Indebtedness that is permitted by Condition 5.1 (*Limitation on Indebtedness*); provided that the encumbrances or restrictions (i) are customary for such types of agreements and (ii) would not, at the time agreed to, be expected to materially adversely affect the ability of the Company or any Subsidiary Guarantor to make required payments on the Notes or any Subsidiary Guarantee, as determined in good faith by the Board of Directors of the Company.

5.7 Impairment of Security Interest

The Company shall not, and shall not permit any Restricted Subsidiary to, take or omit to take any action which action or omission would, in the good faith determination of the Company, have the result of materially impairing the enforceability, validity, perfection or priority of the security interest with respect to the Collateral for the benefit of the Noteholders and the Trustee (it being understood that (i) the incurrence of Permitted Liens and (ii) the sale, lease, transfer, disposition, merger or conveyance of assets not otherwise prohibited by the Trust Deed, shall under no circumstances be deemed to materially impair the enforceability, validity, perfection or priority of the security interest with respect to the Collateral for the benefit of the Noteholders), and the Company shall not, and shall not permit any Restricted Subsidiary to, grant to any Person other than the relevant Security Trustee, the other beneficiaries described in the Security Documents, and any beneficiaries of Permitted Liens, any interest whatsoever in any of the Collateral (other than pursuant to a sale, lease, transfer, disposition, merger or conveyance not otherwise prohibited by the Trust Deed), except that the Company and any Restricted Subsidiary may incur Permitted Liens and the Collateral may be discharged and released in accordance with the Trust Deed or the Security Documents; provided, however, that, except with respect to any discharge or release of the Collateral in accordance with the Trust Deed and the Security Documents or the incurrence of Permitted Liens, the Security Documents may not be amended, extended, renewed, restated, supplemented or otherwise modified or replaced if such action would be materially prejudicial to Noteholders, unless contemporaneously with any such action, the Company delivers to the applicable Security Trustee, either:

(1) a solvency opinion, in form and substance satisfactory to such Security Trustee, from an independent financial advisor confirming the solvency of the grantor of the security, after giving effect to any transaction related to such amendment, extension, renewal, restatement, supplement, modification or replacement, or

(2) an Opinion of Counsel confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement, the security interest or security interests created under the Security Documents so amended, extended, renewed, restated, supplemented, modified or replaced are valid security interests not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such security interest or security interests were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification or replacement.

If this covenant is complied with, the applicable Security Trustee shall (subject to customary protections and indemnifications) consent to such amendments without the need for instructions or consent from and notice to the Noteholders and the Trustee.

Any creation, perfection and maintenance of security interest on the Notes shall be subject to applicable law in India, including but not limited to the FEMA ECB Regulations.

This Condition 5.7 (*Impairment of Security Interest*) shall not be applicable in relation to the Issuer — JSW Jaigarh Merger.

5.8 Business Activities

The Company will not, and will not permit any Restricted Subsidiary to, engage in any business, other than a Permitted Business.

5.9 Use of Proceeds

The Company will not use the proceeds from the sale of the Notes issued on the Original Issue Date for any purpose other than in the approximate amounts and for the purposes specified under the caption "— *Use of Proceeds*" in the Offering Memorandum.

5.10 No Payments for Consent

The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Trust Deed or the Notes unless such consideration is offered to be paid and is paid to all Noteholders that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement. Notwithstanding the foregoing, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of the Trust Deed or the Notes in connection with an exchange offer, the Company and any of the Restricted Subsidiaries may exclude (a) in connection with an exchange offer, Noteholders or beneficial owners of the Notes that are not "qualified institutional buyers" as defined in Rule 144A under the Securities Act, and (b) in connection with any consent, waiver or amendment, Noteholders or beneficial owners of the Notes in any jurisdiction where the inclusion of such Noteholders or beneficial owners would require the Company or any of the Restricted Subsidiaries to file a registration statement, prospectus or similar document or subject the Company or any of the Restricted Subsidiaries to ongoing periodic reporting or similar requirements under any securities laws (including, but not limited to, the United States federal securities laws, the laws of the European Union or its member states or the laws of the United Kingdom), (ii) qualify as a foreign corporation or other entity as a dealer in securities in such jurisdiction if it is not otherwise required to so qualify, (iii) generally consent to service of process in any such jurisdiction or (iv) subject the Company or any of the Restricted Subsidiaries to taxation in any such jurisdiction if it is not otherwise so subject, or the solicitation of such consent, waiver or amendment from, or the granting of such consent or waiver, or the approval of such amendment by, Holders or beneficial owners in such jurisdiction would be unlawful, in each case as determined by the Company in its sole discretion.

5.11 Government Approvals and Licenses; Compliance with Law

The Company will, and will cause each Restricted Subsidiary to, (1) obtain and maintain in full force and effect all governmental approvals, authorizations, consents, permits, concessions and licenses as are necessary to engage in the Permitted Businesses; (2) preserve and maintain good and valid title to its properties and assets (including land-use rights) (for the avoidance of doubt, other than properties leased from third parties); (3) comply with the material terms of the Concession Agreements and not take any action or omit to take any action that could give rise to the right of to the relevant concessioning authority to terminate the Concession Agreements or to permit substitution of the Company by another person under the Concession Agreements; and (4) comply with all laws, regulations, orders, judgments and decrees of any governmental body (including but not limited to the FEMA Guarantee Regulations and the FEMA ECB Regulations in case of the Company), except, in the case of clauses (1), (2) and (4), to the extent that failure so to obtain, maintain, preserve and comply would not reasonably be expected to have a material adverse effect on the ability of the Company or any Subsidiary Guarantor to perform its obligations under the Notes, the Parent Guarantee or any Subsidiary Guarantee or the Trust Deed, as applicable.

5.12 Anti-Layering

The Company will not, and will not permit any of the Subsidiary Guarantors to, Incur any Indebtedness if such Indebtedness is contractually subordinated in right of payment to any other Indebtedness of the Company or such Subsidiary Guarantor, unless such Indebtedness is also contractually subordinated in right of payment to the Notes or the applicable Subsidiary Guarantee, on substantially identical terms. This does not apply to distinctions between categories of Indebtedness that exist by reason of any Liens or guarantee securing or in favor of some but not all of such Indebtedness or by virtue of some Indebtedness being secured on a junior priority basis.

5.13 Suspension of Covenants

If, on any date following the date of the Trust Deed, the Notes are rated Investment Grade from both of the Rating Agencies and no Default or Event of Default has occurred and is continuing (a "**Suspension Event**"), then, beginning on that day and continuing until such time, if any, (i) at which the Notes cease to be rated Investment Grade from either of the Rating Agencies or (ii) an Event of Default occurs and is continuing, the following Conditions will not apply to the Notes:

(a) Condition 5.1 (*Limitation on Indebtedness*);

(b) Condition 5.3 (*Restricted Payments*);

(c) Condition 5.4 (*Limitation on Asset Sales*);

(d) Condition 5.6 (*Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries*);

(e) Condition 5.8 (*Business Activities*); and

(f) Condition 5.12 (*Anti-Layering*).

The covenants under the Conditions listed in this Condition 5.13 (*Suspension of Covenants*) will be reinstituted and apply according to their terms as at and from the first day on which a Suspension Event ceases to be in effect. Such covenants will not, however, be of any effect with regard to actions of the Company properly taken in compliance with the provisions of the Trust Deed during the continuance of the Suspension Event, and no Default will be deemed to have occurred as a result of a failure to comply with such covenants during such period.

5.14 Consolidation, Merger and Sale of Assets

(a) The Company will not consolidate with, or merge with or into, another Person, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its properties and assets (as an entirety or substantially an entirety in one transaction or series of related transactions) to any Person, unless:

(i) the Company shall be the continuing Person, or the Person formed by such consolidation or merger or that acquired or leased such property and assets (the "**Surviving Person**") shall be a corporation incorporated and validly existing under the laws of India or any jurisdiction thereof and shall expressly assume, by a supplemental trust deed to the Trust Deed, executed and delivered to the Trustee, all the obligations of the Company under the Trust Deed and the Notes and the Trust Deed and the Notes shall remain in full force and effect;

(ii) immediately after giving effect to such transaction on a pro forma basis (and treating any Indebtedness which becomes an obligation of the Company or the Surviving Person as having been Incurred at the time of such transaction), no Default shall have occurred and be continuing;

(iii) immediately after giving effect to such transaction on a pro forma basis, the Company or the Surviving Person, as the case may be, shall have a Tangible Net Worth equal to or greater than the Tangible Net Worth of the Company immediately prior to such transaction;

(iv) immediately after giving effect to such transaction on a pro forma basis, the Company could Incur at least U.S.$1.00 of Indebtedness under Condition 5.1(a) (*Limitation on Indebtedness*);

(v) the Company delivers to the Trustee (x) an Officer's Certificate (attaching the arithmetic computations to demonstrate compliance with Conditions 5.14(a)(iii) and 5.14(a)(iv), and (y) an Opinion of Counsel, in each case stating that such consolidation, merger or transfer and such supplemental trust deed complies with this provision and that all conditions precedent provided for herein relating to such transaction have been complied with; and

(vi) no Rating Decline (as applicable) shall have occurred,

provided that this Condition 5.14(a) (*Consolidation, Merger and Sale of Assets*) shall not (i) apply to a consolidation or merger of any Restricted Subsidiary with and into the Company, so long as the Company survives such consolidation or merger, or (ii) apply to a consolidation or merger of the Company with and into a Subsidiary Guarantor, so long as such Subsidiary Guarantor survives such consolidation or merger and expressly assumes, by a supplemental trust deed to the Trust Deed, executed and delivered to the Trustee, all the obligations of the Company under the Trust Deed and the Notes and the Trust Deed and the Notes shall remain in full force and effect.

(b) No Subsidiary Guarantor will consolidate with, or merge with or into, another Person, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its properties and assets (as an entirety or substantially an entirety in one transaction or series of related transactions) to any Person, unless:

(i) such Subsidiary Guarantor shall be the continuing Person, or the Surviving Person shall be the Company or another Subsidiary Guarantor or shall become a Subsidiary Guarantor concurrently with the transaction and shall expressly assume, by a

supplemental trust deed to the Trust Deed, executed and delivered to the Trustee, all the obligations of the Subsidiary Guarantor under the Trust Deed and the Subsidiary Guarantee and the Trust Deed and the Subsidiary Guarantee shall remain in full force and effect;

(ii) immediately after giving effect to such transaction on a pro forma basis (and treating any Indebtedness which becomes an obligation of the Subsidiary Guarantor or the Surviving Person as having been Incurred at the time of such transaction), no Default shall have occurred and be continuing;

(iii) immediately after giving effect to such transaction on a pro forma basis, the Company or the Surviving Person, as the case may be, shall have a Tangible Net Worth equal to or greater than the Tangible Net Worth of the Company immediately prior to such transaction;

(iv) immediately after giving effect to such transaction on a pro forma basis, the Company could Incur at least U.S.$1.00 of Indebtedness under Condition 5.1(a) (*Limitation on Indebtedness*);

(v) the Company delivers to the Trustee (x) an Officer's Certificate (attaching the arithmetic computations to demonstrate compliance with Condition 5.14(b)(iii) and 5.14(b)(iv), and (y) an Opinion of Counsel, in each case stating that such consolidation, merger or transfer and such supplemental trust deed complies with this provision and that all conditions precedent provided for herein relating to such transaction have been complied with; and

(vi) no Rating Decline (as applicable) shall have occurred,

provided that this Condition 5.14(b) (*Consolidation, Merger and Sale of Assets*) shall not apply to (i) any sale or other disposition that complies with Condition 5.4 (*Limitation on Asset Sales*) or any Subsidiary Guarantor whose Subsidiary Guarantee is unconditionally released in accordance with the Trust Deed or (ii) a consolidation or merger of any Subsidiary Guarantor with and into the Company or another Subsidiary Guarantor, so long as the Company or such Subsidiary Guarantor survives such consolidation or merger.

5.15 Reporting

For so long as the Notes remain outstanding, the Company will provide to the Trustee and furnish to the Holders upon request, as soon as they are available but in any event not more than ten (10) calendar days after they are filed with the principal international recognized stock exchange on which the Company's Common Stock is at any time listed for trading, true and correct copies of any financial or other report in the English language (and a certified English translation of any financial or other report in any other language) filed with such exchange; *provided, however,* that if at any time the Common Stock of the Company is not listed for trading on an internationally recognized stock exchange, the Company will deliver to the Trustee:

(a) as soon as practicable, but in any event within 180 calendar days after the end of the fiscal year of the Company, copies of its financial statements (on a consolidated basis and in the English language) in respect of such financial year audited by a member firm of an internationally or nationally recognized firm of independent accountants; and

(b) as soon as practicable, but in any event within 60 calendar days after the end of each of each semi annual fiscal period of the Company, copies of its unaudited financial results (on a consolidated basis and in the English language) in respect of such quarterly period prepared on a basis consistent with the audited financial statements of the Company and reviewed by a member firm of an internationally or nationally recognized firm of independent accountants.

In addition, for so long as any Note remains outstanding, the Company will provide to the Trustee:

(1) within 180 days after the end of each fiscal year, an Officer's Certificate stating the Indebtedness to Tangible Net Worth Ratio at the end of such fiscal year and showing in reasonable detail the calculation of such ratio with a certificate from the Company's independent chartered accountants verifying the accuracy and correctness of the calculation and arithmetic computation; provided, however, that the Company shall not be required to provide such independent chartered accountants certification if its independent chartered accountants refuse as a general policy to provide such certification;

(2) as soon as possible and in any event within 10 Business Days after the Company becomes aware or should have reasonably become aware of the occurrence of a Default or Event of Default, an Officer's Certificate setting forth the details of the Default or Event of Default, and the action which the Company proposes to take with respect thereto; and

(3) within 14 days of its annual audited financial statements being made available to its members, and also within 14 days after any request by the Trustee, a No Default Certificate (as defined in the Trust Deed) signed by its Authorised Officer.

5.16 Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors of the Company may designate any Restricted Subsidiary to be an Unrestricted Subsidiary, provided that: (a) such designation would not cause a Default; (b) neither the Company nor any Restricted Subsidiary provides any guarantees or credit support for the Indebtedness of such Restricted Subsidiary; (c) such Restricted Subsidiary has no outstanding Indebtedness that could trigger a cross-default to the Indebtedness of the Company and its Restricted Subsidiaries; (d) such Restricted Subsidiary does not own any Disqualified Stock of the Company or Disqualified or Preferred Stock of another Restricted Subsidiary or hold any Indebtedness of, or Lien on any property of, the Company or any Restricted Subsidiary; (e) such Restricted Subsidiary does not own any Capital Stock of the Company or another Restricted Subsidiary, and all of its Subsidiaries are Unrestricted Subsidiaries or are being concurrently designated as Unrestricted Subsidiaries in accordance with this paragraph; and (f) the Investment deemed to have been made thereby in such newly designated Unrestricted Subsidiary and each other newly designated Unrestricted Subsidiary being concurrently redesignated would be permitted to be made by Condition 5.3 (*Restricted Payments*). Any designation of a Subsidiary of the Company as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of a Board Resolution of the Company giving effect to such designation and an Officer's Certificate of the Company certifying that such designation complied with the preceding conditions and was permitted by Condition 5.3 (*Restricted Payments*).

The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that such designation will be deemed to be an Incurrence of Indebtedness by a Restricted Subsidiary of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted to be Incurred under Condition 5.1 (*Limitation on Indebtedness*), calculated on a

pro forma basis as if such designation had occurred at the beginning of the four-quarter reference period and (2) no Default or Event of Default would be in existence immediately following such designation.

5.17 Reporting of GHG Emissions Intensity

For so long as any Notes remain outstanding, for each of the fiscal years ending from and including March 31, 2022 up to and including March 31, 2027, the Company will use commercially reasonable efforts to publish, for information purposes only, on its website or at its option, any other public platform, a performance report or other document (each such report or other document, a "**Sustainability Performance Report**") which has been reviewed/certified by an External Verifier, which shall include disclosure on the GHG Emissions Intensity for each such fiscal year as determined by the Company in accordance with these Conditions. Each Sustainability Performance Report will be published no later than 30 September post such fiscal year end. The Sustainability Performance Report may be published by the Company as part of a larger integrated report.

5.18 Reporting of Sustainability Performance Target

The Company will publish on its website or at its option, any other public platform, on the Target Observation Date, a verified assurance certificate by the External Verifier (such certificate, the "**SPT Verification Assurance Certificate**"), which shall confirm whether the Company has achieved the Sustainability Performance Target as of the end of the relevant fiscal year preceding the Target Observation Date.

5.19 Definitions

Set forth below are defined terms used in these Conditions. Reference is made to the Trust Deed for other terms used in these Conditions for which no definition is provided.

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling" and "controlled by" have correlative meanings.

"**Asset Sale**" means the sale, lease, conveyance or other disposition of any Fixed Assets by the Company. Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(a) any single transaction or series of related transactions that involves Fixed Assets having a Fair Market Value of less than U.S.$2 million;

(b) the sale, lease, conveyance or other disposition of any Fixed Assets in the ordinary course of business (including the abandonment, sale or other disposition of damaged, worn-out or obsolete Fixed Assets that are, in the reasonable judgement of the Company, no longer economically practical to maintain or useful in the conduct of business of the Company);

(c) licenses, sub-licenses, subleases, assignments or other disposition by the Company of intellectual property in the ordinary course of business;

(d) any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;

(e) the disposition of Fixed Assets in connection with the compromise or settlement thereof in the ordinary course of business (including by secured lenders of the Company through the enforcement of security) or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(f) the foreclosure, condemnation or any similar action with respect to Fixed Assets or a surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind related to Fixed Assets;

(g) any unwinding or termination of hedging obligations not for speculative purposes;

(h) the disposition of Fixed Assets which are seized, expropriated or compulsorily purchased by or by the order of any central or local government authority;

(i) the disposition of Fixed Assets to another person whereby the Company leases such assets back from such person;

(j) operating leases of Fixed Assets;

(k) a transaction covered by the covenant under Condition 5.14 (*Consolidation, Merger and Sale of Assets*); and

(l) any sale, conveyance, transfer, lease or other disposition by the Company or any Restricted Subsidiary, including the sale or issuance by the Company or any Restricted Subsidiary of any Capital Stock of any Restricted Subsidiary, to the Company or any Restricted Subsidiary or to any Person that becomes a Restricted Subsidiary upon consummation of such sale, conveyance, transfer, lease or other disposition of properties or assets.

"**Average Life**" means, at any date of determination with respect to any Indebtedness, the quotient obtained by dividing (1) the sum of the products of (a) the number of years from such date of determination to the dates of each successive scheduled principal payment of such Indebtedness and (b) the amount of such principal payment by (2) the sum of all such principal payments.

"**Board of Directors**" means, with respect to any Person, such Person's board of directors elected or appointed by the general meeting of shareholders of such Person or any committee of such board duly authorized to take the action purported to be taken by such committee.

"**Capital Stock**" means, with respect to any Person, any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents (however designated, whether voting or non-voting) in equity of such Person, whether outstanding on the Original Issue Date or issued thereafter, including, without limitation, all Common Stock and Preferred Stock, but excluding debt securities convertible into such equity.

"**Collateral**" has the meaning given to it in Condition 4 (*Security*).

"**Common Stock**" means, with respect to any Person, any and all shares, interests, rights to purchase, warrants, options or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person's common stock or ordinary shares, whether or not outstanding on the Original Issue Date, and include, without limitation, all series and classes of such common stock or ordinary shares.

"**Concession Agreements**" mean collectively, the (i) Concession Agreement executed between Board of Trustees for Paradip Port's Trust and Paradip Easy Quay Coal Terminal Private Limited dated May 2, 2016, (ii) the Agreement for Construction, Operation and Transfer of a Multipurpose Common-User Port between Maharashtra Maritime Board and JSW Jaigarh Port Limited dated June 24, 2008; (iii) the Deed of Lease dated February 1, 2006 between Maharashtra Maritime Board and JSW Dharamtar Port Private Limited; (iv) License Agreement between the Board of Trustees of Mormugao Port and ABG Goa Port Private Limited dated April 11, 1999; and (v) Concession Agreement dated May 29, 2015 executed between Board of Trustees for Paradip Port Trust and JSW Paradip Terminal Private Limited.

"**Consolidated Net Income**" means, with respect to the Company and its Restricted Subsidiaries for any period, the aggregate of the net income of the Company and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with IND-AS; provided that:

(a) the net income (or loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid by such Person in cash during such period to the Company or a Restricted Subsidiary;

(b) the net income (or loss) of any Person accrued prior to the date it becomes a Restricted Subsidiary or is merged into or consolidated with the Company or any Restricted Subsidiary, or all or substantially all of the property and assets of such Person are acquired by the Company or any Restricted Subsidiary, will be excluded;

(c) the net income (but not loss) of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiary of such net income is not at the time permitted by the operation of the terms of its charter, articles of association or other constitutive document or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Restricted Subsidiary, will be excluded;

(d) any extraordinary or exceptional gains (other than the proceeds described in clause (1) of this definition) or losses, charges or expenses will be excluded;

(e) non-cash expenses attributable to movements in the mark-to-market valuation of Hedging Obligations will be excluded;

(f) amortization of, or charges or expenses relating to, deferred financing fees, debt issuance costs, commissions, fees and expenses, expensing of any bridge, commitment or other financing fees will be excluded;

(g) the cumulative effect of a change in accounting principles will be excluded; and

(h) any translation gains or losses due solely to fluctuations in currency values and related tax effects will be excluded;

provided that, solely for the purposes of calculating the amount of Restricted Payments that may be made pursuant to the first paragraph of Condition 5.3 (*Restricted Payments*), Consolidated Net Income will be reduced (to the extent not otherwise reduced in accordance with IND-AS or the Trust Deed), if any Restricted Subsidiary is not a wholly owned Restricted Subsidiary, by an amount equal to (A) the amount of the Consolidated Net Income attributable to such Restricted Subsidiary multiplied by (B) the percentage ownership interest in the income of such Restricted Subsidiary not owned on the last day of such period by the Company or any Restricted Subsidiary (except to the extent the Company is otherwise entitled to such income).

"**continuing**" (and any other correlative expression), in relation to a Default or an Event of Default, means (in the case of a Default) a Default has occurred but it has not been remedied or waived and (in the case of an Event of Default) such Event of Default has occurred but it has not been remedied to the satisfaction of the Trustee.

"**Default**" means any event which is, or after the giving of notice, the making of a determination or the passage of time or any combination of the foregoing would be, an Event of Default.

"**Disqualified Stock**" means, with respect to any Person, any Capital Stock of such Person which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event:

(a) matures or is mandatorily redeemable for cash or in exchange for Indebtedness pursuant to a sinking fund obligation or otherwise;

(b) is convertible or exchangeable at the option of the holder thereof for Indebtedness or Disqualified Stock; or

(c) is or may become (in accordance with its terms) upon the occurrence of certain events or otherwise redeemable or repurchasable for cash or in exchange for Indebtedness at the option of the holder of the Capital Stock in whole or in part,

in each case on or prior to the date that is 91 days after the Notes mature; provided, however, that any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the Parent Guarantor to repurchase such Capital Stock upon the occurrence of a change of control or asset sale (howsoever defined or referred to) shall not constitute Disqualified Stock if any such redemption or repurchase obligation is not prohibited by Condition 5.3 (*Restricted Payments*).

"**Dollar Equivalent**" means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the noon buying rate for U.S. dollars in New York City for cable transfers as certified for customs purposes by the Federal Reserve Bank of New York on the date of determination.

"**EBITDA**" means earnings before interest, tax, depreciation and amortization determined for the relevant period.

"**Equity Interests**" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"**Existing Senior Indebtedness**" means senior indebtedness existing on the Original Issue Date availed by the Company and Restricted Subsidiaries from banks, debenture holders and financial institutions and as reflected in the consolidated financial statements.

"**Event of Default**" has the meaning assigned thereto in Condition 10 (*Events of Default*).

"**External Verifier**" means any independent accounting or appraisal firm or other independent qualified provider of third-party assurance or attestation services appointed by the Company, in each case with the expertise necessary to perform the functions required to be performed by the External Verifier under these Conditions, as determined in good faith by the Company.

"**Fair Market Value**" means the price that would be paid in an arm's length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy.

"**Fitch**" means Fitch Inc., a subsidiary of Fimalac, S.A., and its successors.

"**Fixed Assets**" means assets classified as such in the Company's unconsolidated financial statements prepared in accordance with IND-AS.

"**GHG Emissions Intensity**" means the amount of greenhouse gas emitted (Scopes 1 and 2) calculated as kg of carbon dioxide equivalent produced per metric ton of cargo handled ("**$kgCO_2e/tch$**") by the Company and its Subsidiaries at Southwest Port Goa, Jaigarh Port Maharashtra, Dharamtar Port Maharashtra, Paradip Terminal Odisha, Mangalore Coal Terminal Karnataka, Ennore Coal Terminal Tamil Nadu and Ennore Bulk Terminal Tamil Nadu, as determined in good faith by the Company and published in a Sustainability Performance Report in accordance with Condition 5.17 (*Reporting of GHG Emissions Intensity*).

"**guarantee**" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep well, to purchase assets, goods, securities or services, to take or pay, or to maintain financial statement conditions or otherwise); or (b) entered into for purposes of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); provided that the term "guarantee" shall not include endorsements for collection or deposits in the ordinary course of business. The term "guarantee" used as a verb has a corresponding meaning.

"**Incur**" means, with respect to any Indebtedness, to incur, create, issue, assume, guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Indebtedness; provided that the accretion of original issue discount, the accrual of interest, the accrual of dividends, the payment of interest in the form of additional Indebtedness and the payment of dividends on Preferred Stock in the form of additional shares of Preferred Stock (to the extent provided for when the Indebtedness or Preferred Stock on which such interest or dividend is paid was originally issued) shall not be considered an Incurrence of Indebtedness. The terms "Incurrence", "Incurred" and "Incurring" have meanings corresponding with the foregoing.

"**IND-AS**" means Indian Accounting Standards, prescribed under Section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

"**Indebtedness**" means any indebtedness Incurred by the Company for or in respect of (without duplication):

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IND-AS, be treated as a finance or capital lease;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(f) any amount raised under any other transaction having the commercial effect of a borrowing and required by IND-AS to be shown as a borrowing in the balance sheet of the Company;

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

(h) shares which are expressed to be redeemable on or before the Maturity Date;

(i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution, other than any such instrument to the extent such instrument is not drawn upon; and

(j) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) above.

"**Indebtedness to Tangible Net Worth Ratio**" means, as of any date, the ratio of (a) the consolidated Indebtedness of the Company on such date to (b) the consolidated Tangible Net Worth of the Company on such date. In making the foregoing calculation, pro forma effect will be given to (i) any Indebtedness Incurred, repaid or redeemed since the Company's most recently ended annual period for which consolidated financial statements of the Company are available; (ii) any asset sales or asset acquisitions made by the Company that has become a Restricted Subsidiary or has been merged or consolidated with or into the Company or any Restricted Subsidiary since the Company's most recently ended annual period for which consolidated financial statements of the Company are available; and (iii) any profits or losses booked by the Company on a consolidated basis since the Company's most recently ended annual period for which consolidated financial statements of the Company are available.

"**Investment Grade**" means (a) a rating of "Aaa", or "Aa", "A" or "Baa", as modified by a "1", "2" or "3" indication, or an equivalent rating representing one of the four highest rating categories, by Moody's, or any of its successors or assigns; (b) a rating of "AAA", "AA", "A" or "BBB", as modified by a "+" or "-" indication, or an equivalent rating representing one of the four highest Rating Categories, by Fitch or any of its successors or assigns; or (c) the equivalent ratings of any internationally recognized rating agency or agencies, as the case may be, which shall have been designated by the Company as having been substituted for Moody's or Fitch or any one or more of them, as the case may be.

"**Investments**" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including guarantees or other obligations), advances (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), capital contributions, purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IND-AS. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Company and the Restricted Subsidiaries in the Restricted Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the

designation and will reduce the amount available for Restricted Payments under Condition 5.3 (*Restricted Payments*) or under one or more clauses of the definition of Permitted Investments, as determined by the Company. If the Company or any Restricted Subsidiary sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Company such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Company, the Company will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Company's Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in paragraph (d) of Condition 5.3 (*Restricted Payments*). The acquisition by the Company or any Subsidiary of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in paragraph (d) of the Condition 5.3 (*Restricted Payments*). The amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"**Lien**" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

"**Moody's**" means Moody's Investors Service and its affiliates, and any of their successors, as applicable.

"**Net Cash Proceeds**" with respect to any sale of any Fixed Assets of the Company, means the cash proceeds of such sale net of payments to repay Indebtedness or any other obligation outstanding at the time that either (a) is secured by a lien on such Fixed Assets; or (b) is required to be paid as a result of such sale, legal fees, accountants' fees, agents' fees, discounts or commissions and brokerage, consultant fees and other fees actually incurred in connection with such sale and net of taxes paid or payable as a result thereof.

"**Offering Memorandum**" means the offering memorandum dated January 13, 2022 prepared in connection with the issue of the Notes, as amended or supplemented.

"**Officer**" means a director or any executive officer of the Company, who shall also be an Authorised Officer (as defined in the Trust Deed) of the Company.

"**Officer's Certificate**" means a certificate signed by one Officer.

"**Opinion of Counsel**" means a written opinion from legal counsel who is acceptable to the Trustee or the Security Trustee, as the case may be. The counsel, if so acceptable, may be an employee of or counsel to the Company, the Trustee or the Security Trustee, as the case may be. Each such Opinion of Counsel shall include:

(a) a statement that the person giving such opinion has read the covenant or condition to which such opinion relates;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such opinion are based;

(c) a statement that, in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(d) a statement as to whether or not, in the opinion of such person, such covenant or condition has been complied with.

"**Original Issue Date**" means the date on which the Notes (other than Notes issued further under Condition 16 (*Further Issues*)) are originally issued under the Trust Deed.

"**Pari Passu Guarantee**" means a guarantee by the Company, any Subsidiary Guarantor of Indebtedness of the Company (including Additional Notes) or any Subsidiary Guarantor; provided that (1) the Company or such Subsidiary Guarantor, as applicable, was permitted to Incur such Indebtedness under Condition 5.1 (*Limitation on Indebtedness*) and (2) such guarantee ranks *pari passu* with the Notes or any outstanding Subsidiary Guarantee of such Subsidiary Guarantor, as the case may be.

"**Permitted Business**" means any business, service or activity (i) conducted or proposed to be conducted (as described in the Offering Memorandum) by the Company and its Subsidiaries, (ii) other infrastructure, logistics and/or transport businesses and (iii) other businesses reasonably related, complementary or ancillary to the businesses described in (i) and (ii) above.

"**Permitted Investments**" means:

(a) any Investment in the Company or in any Restricted Subsidiary;

(b) any Investment in Temporary Cash Equivalents;

(c) any Investment by the Company or any Restricted Subsidiary in a Person, if as a result of such Investment:

    (i) such Person becomes a Restricted Subsidiary; or

    (ii) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys all or substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary;

(d) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Condition 5.4 (*Limitation on Asset Sales*);

(e) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company;

(f) any Investments received in compromise or resolution of (i) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Company or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (ii) litigation, arbitration or other disputes with Persons who are not Affiliates;

(g) Investments represented by hedging obligations entered into for the purpose of protecting the Company or any Restricted Subsidiary from fluctuations in interest rates, currencies or commodity prices and not for speculation;

(h) loans or advances to employees of the Company or any Restricted Subsidiary made in the ordinary course of business in an aggregate principal amount not to exceed U.S.$5 million (or the Dollar Equivalent thereof) at any one time outstanding;

(i) repurchases of the Notes;

(j) (i) receivables, trade credits or other current assets owing to the Company or any Restricted Subsidiary, if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms, including such concessionary trade terms as the Company or such Restricted Subsidiary considers reasonable under the circumstances; (ii) advances or extensions of credit for purchases and acquisitions of assets, supplies, material or equipment from suppliers or vendors in the ordinary course of business; and (iii) any advances for real estate leases;

(k) Investments existing at the Original Issue Date and described in this Offering Memorandum and any Investment that amends, extends, renews, replaces or refinances such Investment; provided, however, that such new Investment is on terms and conditions no less favourable to the Company or the applicable Restricted Subsidiary, as the case may be, than the Investment being amended, extended, renewed, replaced or refinanced;

(l) guarantees of Indebtedness permitted to be Incurred under Condition 5.1 (*Limitation on Indebtedness*);

(m) an Investment in an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary; and

(n) Investments made by the Company and/or any Restricted Subsidiary having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made by the Company and/or any Restricted Subsidiary pursuant to this paragraph (n) (and for avoidance of doubt not including Investments that may be made under paragraphs (a) to (m) above) that are at the time outstanding, not to exceed U.S.$100 million (or the Dollar Equivalent thereof).

"**Permitted Liens**" means:

(a) Liens in favour of the Security Trustee created pursuant to the Trust Deed and the Security Documents with respect to the Notes;

(b) Liens on assets existing at the time of acquisition of the assets by the Company or any Restricted Subsidiary; provided that such Liens were in existence prior to such acquisition, and not incurred in contemplation of, such acquisition;

(c) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business;

(d) Liens securing Indebtedness of the Company, any Subsidiary Guarantor or any Restricted Subsidiary existing on the Original Issue Date;

(e) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; provided that any reserve or other appropriate provision as is required in conformity with IND-AS has been made therefor;

(f) Liens imposed by law, such as suppliers', carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(g) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not

incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(h) bankers' liens, rights of set-off, Liens arising out of judgments or awards not constituting an Event of Default and notices of *lis pendens* and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made;

(i) leases or subleases granted to others that do not materially interfere with the ordinary course of business of the Company and the Restricted Subsidiaries, taken as a whole;

(j) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business;

(k) Liens securing reimbursement obligations with respect to letters of credit that encumber documents and other property relating to such letters of credit and the products and proceeds thereof;

(l) Liens on deposits securing trade letters of credit (and reimbursement obligations relating thereto) incurred in the ordinary course of business;

(m) Liens created for the benefit of (or to secure) the Notes or any Subsidiary Guarantee;

(n) Liens securing Indebtedness which is Incurred to refinance secured Indebtedness which is permitted to be Incurred under Condition 5.1(b)(iii) (*Limitation on Indebtedness*);

(o) Liens on cash and Temporary Cash Equivalents arising in connection with the discharge or redemption of Indebtedness;

(p) Liens securing Permitted Pari Passu Secured Indebtedness;

(q) Liens on the Capital Stock of any Restricted Subsidiary (other than a Subsidiary Guarantor) solely to secure Indebtedness of such Restricted Subsidiary;

(r) Liens securing Indebtedness of the Company, any Subsidiary Guarantor or any Restricted Subsidiary permitted to be Incurred under Condition 5.1(a) (*Limitation on Indebtedness*); and

(s) Liens on the Capital Stock of the Person that is to be acquired under the relevant Staged Acquisition Agreement securing Indebtedness permitted to be Incurred under Condition 5.1(b)(xiv) (*Limitation on Indebtedness*);

(t) Liens securing Indebtedness of the Company or any Restricted Subsidiary permitted to be Incurred under Condition 5.1(b)(iv), (xi) and (xv) (*Limitation on Indebtedness*),

provided that, with respect to the Collateral, "Permitted Liens" shall only refer to the Liens described in paragraphs (a), (d), (e), (f), (g), (h), (i), (j), (m), (n) and (p) of this definition.

"**Person**" means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

"**Preferred Stock**" as applied to the Capital Stock of any Person means Capital Stock of any class or classes that by its term is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"**Rating Agencies**" means (a) Moody's and Fitch; and (b) if Moody's or Fitch or any one or more of them shall not make a rating of the Notes publicly available, an internationally recognized securities rating agency or agencies, as the case may be, selected by the Company, which shall be substituted for Moody's or Fitch or any one or more of them, as the case may be.

"**Rating Category**" means (a) with respect to Moody's, any of the following categories: Ba, B, Caa, Ca, C and D (or equivalent successor categories); (b) with respect to Fitch, any of the following categories: "BB", "B", "CCC", "CC", "C", and "D" (or equivalent successor categories); and (c) the equivalent of any such category of Moody's or Fitch used by another Rating Agency. In determining whether the rating of the Notes has decreased by one or more gradations, gradations within Rating Categories ("+" and "-" for Fitch; 1, 2 and 3 for Moody's; or the equivalent gradations for another Rating Agency) shall be taken into account (e.g. with respect to Fitch, a decline in a rating from "BB+" to "BB", as well as from "BB" to "B+", will constitute a decrease of one gradation).

"**Rating Date**" means (a) in connection with a Change of Control Triggering Event under Condition 7.3 (*Redemption for Change of Control Triggering Event*), the date which is 90 days prior to the earlier of (i) a Change of Control; and (ii) the initial public notice of the occurrence of a Change of Control or of the intention by the Company or any other Person or Persons to effect a Change of Control; or (b) in connection with actions contemplated under Condition 5.14 (*Consolidation, Merger and Sale of Assets*), that date which is 90 days prior to the earlier of (i) the occurrence of any such actions as set forth therein; and (ii) a public notice of the occurrence of any such actions.

"**Rating Decline**" means: (i)

(i) in connection with a Change of Control Triggering Event under Condition 7.3 (*Redemption for Change of Control Triggering Event*), the occurrence on, or within six months after, the date, or public notice of the occurrence of, a Change of Control or the intention by the Company or any other Person or Persons to effect a Change of Control (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies) of any of the events listed below:

    (a) in the event the Notes are rated by one or more Rating Agencies on the Rating Date as Investment Grade, the rating of the Notes by any such Rating Agency shall be below Investment Grade; or

    (b) in the event the Notes are rated below Investment Grade by one or more Rating Agencies on the Rating Date, the rating of the Notes by any such Rating Agency shall be decreased by one or more gradations (including gradations within Rating Categories as well as between Rating Categories); or

(ii) in connection with actions contemplated under Condition 5.14 (*Consolidation, Merger and Sale of Assets*), the notification by any of the Rating Agencies that such proposed actions will result in any of the events listed below:

    (a) in the event the Notes are rated by one or more Rating Agencies on the Rating Date as Investment Grade, the rating of the Notes by any such Rating Agency shall be below Investment Grade; or

(b) in the event the Notes are rated below Investment Grade by one or more Rating Agencies on the Rating Date, the rating of the Notes by any such Rating Agency shall be decreased by one or more gradations (including gradations within Rating Categories as well as between Rating Categories).

"**Restricted Subsidiary**" means any Subsidiary of the Company that is not an Unrestricted Subsidiary, which for the avoidance of doubt, shall include the Subsidiary Guarantors where the context requires.

"**Security**" means a mortgage, charge, pledge, lien, encumbrance or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect, including any mortgage, pledge, retention of title arrangement, right of retention, and, in general, any right in rem, created for the purpose of granting security.

"**Senior Indebtedness**" means all Indebtedness of the Company or any Restricted Subsidiary, whether outstanding on the Original Issue Date or thereafter Incurred, except for Indebtedness which, in the instrument creating or evidencing the same, is expressly stated to be not senior in right of payment to the Notes or, in respect of any Subsidiary Guarantor, its Subsidiary Guarantee; provided that Senior Indebtedness does not include (a) any obligation to the Company or any Restricted Subsidiary, (b) trade payables or (c) Indebtedness Incurred in violation of the Trust Deed or these Conditions.

"**Shareholder Affiliate**" means any Affiliate of the Company and/or Restricted Subsidiary, any trust of which an Affiliate of the Company and/or Restricted Subsidiary or any of its Affiliates is a trustee, any partnership of which an Affiliate of the Company and/or Restricted Subsidiary is a partner and any trust, fund or other entity which is owned, managed or principally advised under a written agreement by, or under the control of, an Affiliate of the Company and/or Restricted Subsidiary.

"**Shareholder Affiliate Lender**" means any Shareholder Affiliate that provides Subordinated Shareholder Affiliate Loan.

"**Staged Acquisition Agreement**" means an agreement between the Company or a Restricted Subsidiary and an independent third party (x) pursuant to which the Company or such Restricted Subsidiary agrees to acquire not less than a majority of the Capital Stock of a Person for consideration that is not more than the Fair Market Value of such Capital Stock of such Person at the time the Company or such Restricted Subsidiary enters into such agreement and (y) which provides that the payment of the purchase price for such Capital Stock is made in more than one installment over a period of time.

"**Stated Maturity**" means, with respect to any instalment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the first date it was Incurred in compliance with the Trust Deed, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"**Subordinated Shareholder Affiliate Loan**" means any unsecured Indebtedness for borrowed money Incurred by the Company or any Restricted Subsidiary from any Shareholder Affiliate Lender (but only so long as such Indebtedness is owed to such Shareholder Affiliate Lender) which (a) is expressly made subordinate to the prior payment in full of the Notes or the Subsidiary Guarantee by its terms or by the terms of any agreement or instrument pursuant to which such Indebtedness is issued, created or remains outstanding, with respect to the payment of principal and any other payment obligations in respect of such Indebtedness; (b) by its terms (and by the terms of any security into which it is convertible or for which it is exchangeable)

does not mature and is not required to be repaid, redeemed, repurchased or otherwise retired, pursuant to a sinking fund obligation, event of default or otherwise, in whole or in part, prior to Stated Maturity of the Notes; and (c) by its terms, does not permit any payments of principal of (or premium, if any) or interest on or otherwise due in respect of such Indebtedness for so long as any Default exists.

"**Subsidiary**" means, with respect to any Person, any corporation, association or other business entity of which more than 50.0 per cent. of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person.

"**Subsidiary Guarantors**" means any Subsidiary Guarantors existing on the Original Issue Date and any Future Subsidiary Guarantors.

"**Tangible Net Worth**" means the aggregate of the following based on the Company's consolidated financial statements (without duplication):

(a) the amount paid up or credited as paid up on the share capital of the Company;

(b) the amount standing to the credit of the reserves of the Company (including, without limitation, any share premium account, capital redemption reserve funds and any credit balance on the accumulated profit and loss account);

(c) if applicable, that part of the net results of operations and the net assets of any Subsidiary of the Company attributable to interests that are not owned, directly or indirectly, by the Company; and

(d) after deducting from that aggregate:

    (i) any debit balance on the profit and loss account or impairment of the issued share capital of the Company (except to the extent that deduction with respect to that debit balance or impairment has already been made);

    (ii) amounts set aside for dividends or taxation (including deferred taxation); and

    (iii) amounts attributable to capitalized items such as goodwill, trademarks, deferred charges, licenses, patents and other intangible assets.

"**Target Observation Date**" means a date not later than September 30, 2026.

"**Temporary Cash Equivalents**" means any of the following:

(a) United States dollars, Indian rupees dinar or other local currencies held from time to time in the ordinary course of the Permitted Business;

(b) direct obligations of the United States, a member of the European Union, the United Kingdom or India or, in each case, any agency of any of the foregoing or obligations fully and unconditionally guaranteed by the United States or any agency of any of the foregoing, in each case maturing within one year;

(c) demand or time deposit accounts, certificates of deposit and money market deposits maturing within one year of the date of acquisition thereof issued by a bank or trust company that is organized under the laws of the United States, the United Kingdom or India and which bank or trust company (x) has capital, surplus and undivided profits aggregating in excess of U.S.$100.0 million (or the Dollar Equivalent thereof) and

(y)(A) has outstanding debt which is rated "A" or such similar equivalent rating) or higher by at least one Nationally Recognized Statistical Rating Organization or (B) is organized under the laws of India and has a long-term foreign issuer credit rating or senior unsecured debt rating equal to or higher than India's sovereign credit rating by at least one Nationally Recognized Statistical Rating Organization or (C) is a bank owned or controlled by the government of India and organized under the laws of India;

(d) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (b) above entered into with a bank or trust company meeting the qualifications described in clause (c) above;

(e) commercial paper, maturing not more than one year after the date of acquisition thereof, issued by a corporation (other than an Affiliate of the Company) organized and in existence under the laws of India, the United Kingdom, the United States, any state thereof or any foreign country recognized by the United States with a rating at the time as of which any investment therein is made of "P-1" (or higher) according to Moody's or "A-1" (or higher) according to S&P or Fitch;

(f) securities with maturities of one year or less from the date of acquisition thereof, issued or fully and unconditionally guaranteed by any state, commonwealth or territory of the United States, or by any political subdivision or taxing authority thereof, and rated at least "A" by S&P, Moody's or Fitch;

(g) any money market fund that has at least 95.0% of its assets continuously invested in investments of the types described in clauses (a) through (f) above;

(h) open ended debt-backed or fixed return schemes or schemes that invest in securities issued by entities owned or controlled by the Government of India, having a minimum rating of "AAA" or an equivalent rating by any two rating agencies in India or having minimum rating of "AA" by CRISIL, ICRA, CARE or India Ratings and Research Private Limited, of mutual funds registered with SEBI and having a track record of at least two years; and

(i) demand or time deposit accounts, certificates of deposit and money market deposits issued by a bank, trust company or other financial institution that is organized under the laws of the United States, or India or any other bank, trust company or other financial institution which is authorized to carry on business in India and which bank, trust company or financial institution (x) is a lender under any credit facility to which the Parent Guarantor or any Restricted Subsidiary is an obligor and (y) has capital, surplus and undivided profits aggregating in excess of U.S.$100.0 million (or the Dollar Equivalent thereof).

"**Unrestricted Subsidiary**" means (a) any Subsidiary of the Company that is designated by the Board of Directors of the Company as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors of the Company in the manner provided in Condition 5.16 (*Designation of Restricted and Unrestricted Subsidiaries*) and (b) any Subsidiary of an Unrestricted Subsidiary.

"**Voting Stock**" means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

6 INTEREST

6.1 Interest Rate and Interest Payment Dates

Each Note bears interest on its outstanding principal amount from (and including) January 21, 2022 to (but excluding) January 21, 2029 at the rate of 4.95 per cent. per annum, in each case payable semi-annually in arrear on January 21 and July 21 in each year (each an "**Interest Payment Date**"). The first payment of interest will be made on July 21, 2022 in respect of the period from (and including) the Issue Date to (but excluding) July 21, 2022. If any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), it shall be postponed to the next day which is a Business Day, unless it would thereby fall into the next calendar month, in which event it shall be brought forward to the immediately preceding Business Day. Each Note will cease to bear interest from the due date for redemption unless, after surrender of the Definitive Note, payment of principal or premium (if any) is improperly withheld or refused. In such event, interest will continue to accrue at such rate (both before and after judgment) until whichever is the earlier of: (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant holder; and (b) the day falling seven days after the Trustee or the Principal Paying Agent has notified Noteholders of receipt of all sums due in respect of all the Notes up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions). If interest is required to be calculated for a period of less than six months, it will be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed on the basis of a month of 30 days.

All interest payable on the Notes shall be subject to applicable laws in India, including, but not limited to, the all in cost ceilings applicable pursuant to the ECB Regulations.

6.2 Interest Rate Adjustment Upon Occurrence of Trigger Event

Upon the occurrence of a Trigger Event, the interest rate will increase by 0.25 per cent. per annum with effect from the most recent Interest Payment Date preceding the Trigger Event until the redemption of the Notes, provided that such increase in the interest rate pursuant to this Condition 6.2 (*Interest Rate Adjustment Upon Occurrence of Trigger Event*) may occur no more than once. If, following an increase in the interest rate after a Trigger Event, the Company achieves the Sustainability Performance Target after the Target Observation Date, there will be no decrease to the interest rate of the Notes and the interest rate of the Notes will remain unchanged.

Any increase in the interest rate pursuant to this Condition 6.2 (*Interest Rate Adjustment Upon Occurrence of Trigger Event*) shall be notified by the Company to the Noteholders (in accordance with Condition 17 (*Notices*)), the Trustee and the Principal Paying Agent in writing no later than five days following the issuance of the SPT Verification Assurance Certificate and in any case by the Target Observation Date. Neither the Trustee nor the Agents shall be required to take any steps to ascertain whether a Trigger Event or any event which could lead to the occurrence of a Trigger Event has occurred, and they shall not be liable to any person for any failure to do so.

For the purposes of this Condition 6.2 (*Interest Rate Adjustment Upon Occurrence of Trigger Event*), "**Trigger Event**" will be deemed to occur if the Company does not achieve the Sustainability Performance Target on the Target Observation Date as determined by the External Verifier and confirmed in the SPT Verification Assurance Certificate.

7 REDEMPTION AND PURCHASE

7.1 Final Redemption

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on January 21, 2029 ("**Maturity Date**"). The Notes may not be redeemed at the option of the Company other than in accordance with this Condition 7 (*Redemption and Purchase*).

7.2 Redemption for taxation reasons

The Notes may be redeemed at the option of the Company in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) and to the Trustee and the Principal Paying Agent in writing, at their principal amount, (together with interest accrued up to, but excluding, the date fixed for redemption), if: (a) the Company has or will become obliged to pay Additional Amounts (as defined in Condition 9 (*Taxation*)) as provided or referred to in Condition 9 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction (as defined in Condition 9 (*Taxation*)) or any change in the official application or interpretation of such laws or regulations, which, in the case of the Company, becomes effective on or after the Issue Date or, in the case of any Surviving Person (as defined in Condition 5.14 (*Consolidation, Merger and Sale of Assets*)), becomes effective on or after the date such Surviving Person assumes responsibility under the Notes; and (b) such obligation cannot be avoided by the Company taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay such Additional Amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 7.2 (*Redemption for taxation reasons*), the Company shall deliver to the Trustee an Officer's Certificate stating that the obligation referred to in (a) above cannot be avoided by the Company taking reasonable measures available to it and the Company is entitled to effect such redemption, setting forth a statement of facts showing that the conditions precedent to the right of the Company to so redeem have occurred and an Opinion of Counsel of recognized standing to the effect that the Company has or will become obliged to pay such Additional Amounts as a result of such change or amendment. The Trustee shall be entitled to accept and rely upon such certificate and opinion (without further investigation or enquiry) and it shall be conclusive and binding on the Company, the Subsidiary Guarantors and the Noteholders.

7.3 Redemption for Change of Control Triggering Event

If a Change of Control Triggering Event (as defined below) occurs with respect to the Company, each Noteholder shall have the right (the "**Change of Control Redemption Right**"), at such Noteholder's option, to require the Company to redeem all of such Noteholder's Note(s) in whole, but not in part on the Change of Control Redemption Date (as defined below), at a price equal to the Change of Control Redemption Amount (as defined below). Neither the Trustee nor the Agents shall be required to take any steps to ascertain whether a Change of Control Triggering Event or any event which could lead to the occurrence of a Change of Control Triggering Event has occurred, and they shall not be liable to any person for any failure to do so.

To exercise the Change of Control Redemption Right attaching to a Note on the occurrence of a Change of Control Triggering Event, the holder thereof must complete, sign and deposit at its own expense at any time from 9.30 am to 5.30 pm (local time in the place of deposit) on any Business Day at the specified office of any Paying Agent a notice (a "**Change of Control Redemption Notice**") in the form (for the time being current) obtainable from the specified office of any Paying Agent and surrender the Notes to be redeemed. Such Change of Control Redemption Notice may be given on the earlier of the date on which the relevant Noteholder

becomes aware of the occurrence of the Change of Control Triggering Event and the date on which the Change of Control Notice (as detailed below) delivered by the Company under this Condition is received by such Noteholder. No Change of Control Redemption Notice may be given after 90 days from the date of the Change of Control Notice.

A Change of Control Redemption Notice, once delivered, shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Company to withdraw the Change of Control Redemption Notice and instead to give notice that the Note is immediately due and repayable under Condition 10 (*Events of Default*). The Company shall redeem the Notes (in whole but not in part) which form the subject of any Change of Control Redemption Notice which is not withdrawn on the Change of Control Redemption Date.

Not later than seven days after becoming aware of a Change of Control Triggering Event, the Company shall procure that notice (a "**Change of Control Notice**") regarding the Change of Control Triggering Event be delivered to the Trustee and the Agents in writing and to the Noteholders in accordance with Condition 17 (*Notices*) stating:

(a) that Noteholders may require the Company to redeem their Notes under this Condition 7.3 (*Redemption for Change of Control Triggering Event*);

(b) the date of such Change of Control Triggering Event and, briefly, the events causing such Change of Control Triggering Event;

(c) the names and addresses of all relevant Paying Agents;

(d) such other information relating to the Change of Control Triggering Event as any Noteholder may require; and

(e) that the Change of Control Redemption Notice, once validly given, may not be withdrawn and the last day on which a Change of Control Redemption Notice may be given.

In this Condition 7.3 (*Redemption for Change of Control Triggering Event*):

(A) "**Change of Control**" means the occurrence of one or more of the following events:

(i) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company to any Person, other than to the Permitted Holders or to any Persons controlled by the Permitted Holders;

(ii) the Company consolidates with or merges into or sells or transfers all or substantially all of its assets to any Person or Persons, acting together, other than to the Permitted Holders or to any Persons controlled by the Permitted Holders;

(iii) the Permitted Holders cease to be the beneficial owners, directly or indirectly, of at least 35.0 per cent. in the aggregate of the voting power of the Voting Stock of the Company, or any Person, other than the Permitted Holders, becomes the beneficial owner, directly or indirectly, of a larger percentage of the voting power of such Voting Stock of the Company than the Permitted Holders;

(iv) a Person or Persons, acting together, other than the Permitted Holders, acquire Control, directly or indirectly, of the Company; or

(v) the adoption of a plan relating to the liquidation or dissolution of the Company.

(B) "**Change of Control Redemption Amount**" means an amount equal to 101.0 per cent. of the principal amount of the Notes redeemed plus accrued and unpaid interest, if any, to and including the Change of Control Redemption Date.

(C) "**Change of Control Redemption Date**" means the date specified in the Change of Control Redemption Notice, such date being not less than 30 nor more than 60 days after the date of the Change of Control Redemption Notice.

(D) "**Change of Control Triggering Event**" means the occurrence of a Change of Control; provided, however, that if the Change of Control is an event described in paragraphs (i), (ii), (iii) and (iv) of the definition thereof, it shall not constitute a Change of Control Triggering Event unless and until a Rating Decline shall also have occurred.

(E) "**Control**" means the right to appoint and/or remove all or the majority of the members of the Company's Board of Directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of Voting Stock, contract or otherwise, and "controlled" shall be construed accordingly.

(F) "**Permitted Holders**" means the Sajjan Jindal Family Trust.

7.4 Optional Redemptions

At any time, the Company will be entitled at its option to redeem all or any portion of the Notes at a redemption price equal to 100 per cent. of the principal amount of the Notes plus the Applicable Premium (as determined by the Company) as of, and accrued and unpaid interest to (but not including), the redemption date (subject to the right of Noteholders on the relevant record date to receive interest due on the relevant Interest Payment Date); *provided* that no Applicable Premium will be payable if the Notes are redeemed on or after October 21, 2028 (the "**Par Call Date**"). Notice of such redemption must be given to the Noteholders in accordance with Condition 17 (*Notices*) and in writing to the Trustee and the Principal Paying Agent, not less than 30 nor more than 60 days prior to the redemption date.

In this Condition 7.4 (*Optional Redemptions*):

"**Adjusted Treasury Rate**" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield in maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"**Applicable Premium**" means, with respect to a Note at any redemption date, the greater of (a) 1.00 per cent. of the principal amount of such Note; and (b) the excess of (A) the present value at such redemption date of (i) 100% of the principal amount of such Note on the Par Call Date exclusive of any accrued interest; plus (ii) all remaining scheduled interest payments due on such Note through the Par Call Date (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the Adjusted Treasury Rate plus 50 basis points; over (B) the principal amount of such Note.

"**Comparable Treasury Issue**" means the U.S. Treasury security having a maturity comparable to the remaining term of the Notes to be redeemed (from the redemption date to the Par Call Date) that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes from the redemption date to the Par Call Date.

"**Comparable Treasury Price**" means, with respect to any redemption date: (a) the average bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) on the third Business Day preceding such redemption date, as set forth in the daily statistical release (or any successor release) published by the Federal Reserve Bank of New York and designated "Composite 3:30 p.m. Quotations for U.S. Government Securities"; or (b) if such release (or any successor release) is not published or does not contain such prices on such Business Day, (i) the average of Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations; or (ii) if fewer than three such Reference Treasury Dealer Quotations are available, the average of all such quotations.

"**Reference Treasury Dealer**" means each of any three investment banks of recognized standing that is a primary U.S. Government securities dealer in the City of New York, selected by the Company in good faith.

"**Reference Treasury Dealer Quotations**" means, with respect to each Reference Treasury Dealer and any redemption date of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) requested by the Company and quoted in writing by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day immediately preceding such redemption date.

7.5 Equity Clawback

At any time prior to October 21, 2028, the Company may redeem up to 40 per cent. of the aggregate principal amount of the Notes with the Net Cash Proceeds of one or more Equity Offerings at a redemption price of 104.95 per cent. of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 60 per cent. of the aggregate principal amount of the Notes originally issued on the Original Issue Date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related Equity Offering. Notice of such redemption must be given to the Noteholders in accordance with Condition 17 (*Notices*) and in writing to the Trustee and the Principal Paying Agent, not less than 30 nor more than 60 days prior to the redemption date.

In this Condition 7.5 (*Equity Clawback*):

"**Equity Offering**" means any private or public underwritten offering of Common Stock of the Company after the Original Issue Date; provided that the aggregate gross cash proceeds received by the Company from such offering shall be no less than U.S.$20.0 million (or the Dollar Equivalent thereof).

7.6 Notice of redemption

All Notes in respect of which any notice of redemption is given under this Condition 7 (*Redemption and Purchase*) shall be redeemed on the date specified in such notice in accordance with this Condition 7 (*Redemption and Purchase*). Neither the Trustee nor the Agents shall be responsible for calculating or verifying any calculations of any amounts payable under this Condition 7 (*Redemption and Purchase*) (including but not limited to any Applicable Premium) or for determining if any premium (including but not limited to any Applicable Premium) is payable. If less than all of the Notes are to be redeemed at any time, the Trustee will select Notes for redemption as follows: (a) if the Notes are listed on any securities exchange and/or are held through a clearing system, in compliance with the requirements of the principal securities exchange on which the Notes are listed and/or the requirements of the clearing system; or (b) if the Notes are not listed on any securities

exchange, on a pro rata basis, by lot or by such other method as the Trustee in its sole discretion shall deem to be fair and reasonable in the circumstances.

Any optional redemption of Notes and notice of redemption under this Condition 7 (*Redemption and Purchase*) may, at the Company's discretion, be subject to the satisfaction (or waiver by the Company in its sole discretion) of one or more conditions precedent. If any such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice may state that, in the Company's sole discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded if any or all such conditions shall not be satisfied by the redemption date, or by the redemption date so delayed.

No Note of U.S.$200,000 in principal amount or less shall be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note will state the portion of the principal amount to be redeemed. A new Note in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note. On and after the redemption date, interest will cease to accrue on Notes or portions of them called for redemption.

7.7 Purchase

The Company and the Subsidiary Guarantors (and any of their respective Subsidiaries) may at any time purchase Notes in the open market or otherwise in any amount and at any price and such Notes shall be surrendered to any Paying Agent for cancellation subject to applicable law. Without limiting the ability of the Company and the Subsidiary Guarantors (and any of their respective Subsidiaries) to conduct open market purchases, any purchase that the Company or any Subsidiary Guarantor, or any of their respective Subsidiaries, elects to make by tender shall be made available to all Noteholders alike, except where it is not possible to do so in order to qualify for exemptions from any offering restrictions imposed by any jurisdiction in accordance with applicable law. Notes purchased and held prior to cancellation by the Company or any Subsidiary Guarantor, or any of their respective Subsidiaries, shall not be deemed to be "outstanding" for purposes of any meeting of holders of Notes or other action to be voted upon, or taken, by holders of Notes.

7.8 Cancellation

All Notes redeemed or purchased in accordance with this Condition 7 (*Redemption and Purchase*) shall be cancelled and may not be re-issued or resold except in accordance with applicable law.

Early redemption of the Notes under Conditions 7.2 (Redemption for taxation reasons), 7.3 (Redemption for Change of Control Triggering Event), 7.4 (Optional Redemptions) or 7.5 (Equity Clawback) may require a prior approval from the RBI or approval of the AD Bank, as the case may be, in accordance with the ECB Regulations, before effecting such a redemption prior to the Maturity Date, and such approval may not be forthcoming.

8 PAYMENTS

8.1 Method of Payment

Payments of principal and premium (if any) in respect of each Note will be made by transfer to a U.S. dollar account maintained by the payee. Payments of principal will be made conditional upon surrender of the relevant Definitive Note at the specified office of any of the Paying Agents. Interest on Notes will be paid to the Persons shown on the Register at the close of business on the fifteenth day before the due date for the payment of interest (the "**Record Date**").

So long as the Notes are represented by one or more global certificates held on behalf of DTC, such payments will be made to the holder of record appearing in the Register at the close of the business day (being for this purpose a day on which DTC is open for business) before the relevant due date.

8.2 Payment Initiation

Payment instructions (for value on the due date or, if that is not a Business Day, for value on the first following day which is a Business Day) will be initiated on the due date for payment (or, if that date is not a Business Day, on the first following day which is a Business Day) or, in the case of payments of principal and premium (if any) where the relevant Definitive Note has not been surrendered at the specified office of any Transfer Agent or of the Registrar, on the first Business Day on which the Principal Paying Agent is open for business and on or following which the relevant Definitive Note is surrendered. For the purposes of these Conditions, "**Business Day**" means a day, other than a Saturday or a Sunday or a public holiday, on which commercial banks in London, Singapore, The City of New York, Hong Kong and Mumbai, and in the case of a surrender of a Definitive Note, in the place the Definitive Note is surrendered, are open for business or not authorized to close.

8.3 Delay in Payment

Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due as a result of the due date not being a Business Day, if the Noteholder is late in surrendering its Definitive Note (if required to do so).

8.4 Payment not Made in Full

If the amount of principal and/or premium (if any) being paid upon surrender of the relevant Definitive Note is less than the outstanding principal amount of, or premium due on, such Definitive Note, the Registrar will annotate the Register with the amount of principal and/or premium (if any) so paid and will (if so requested by the Company or a Noteholder) issue a new Definitive Note with a principal amount equal to the remaining unpaid outstanding principal amount and/or premium (if any). If the amount of interest being paid is less than the amount then due, the Registrar will annotate the Register with the amount of interest so paid.

8.5 Agents

The initial Agents and their initial specified offices are listed below. The Company reserves the right at any time to vary or terminate the appointment of any Agent and appoint additional or other Agents, provided that it will maintain: (a) a Principal Paying Agent; (b) a Registrar; and (c) a Transfer Agent and such other agents as may be required by any stock exchange on which the Notes may be listed. Notice of any change in the Agents or their specified offices will promptly be given by the Company to the Trustee and the Noteholders.

8.6 Agency Role

In acting under the Agency Agreement and in connection with the Notes, the Agents act solely as agents of the Company and (to the extent provided therein) the Trustee and do not assume any obligations towards or relationship of agency or trust for or with the Security Trustee, any of the Noteholders or any other person.

9 TAXATION

All payments of principal, premium (if any) and interest in respect of the Notes will be made free and clear of, without set-off or counterclaim and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within (i) India or any jurisdiction of which

the Company is otherwise considered by a taxing authority to be a resident for tax purposes or any political organization or governmental authority thereof or therein having the power to tax; or (ii) any jurisdiction from or through which the Company or any person on behalf of the Company makes a payment on the Notes, or any political organization or governmental authority thereof or therein having the power to tax (each jurisdiction described in (i) or (ii) above a "**Relevant Jurisdiction**"), unless such withholding or deduction is required by law. In that event, the Company shall pay such additional amounts ("**Additional Amounts**") as will result in receipt by the Noteholders of such amounts as would have been receivable by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable in respect of any Note:

(a) to a holder (or to a third party on behalf of a holder) who is liable for such taxes, duties, assessments or governmental charges in respect of such Note by reason of his having some connection with the Relevant Jurisdiction other than the mere holding of the Note, the receipt of payments with respect to the Note or the enforcement of its rights under the Trust Deed;

(b) presented for payment in the Relevant Jurisdiction (if presentment is required) more than 30 days after the Relevant Date;

(c) in respect of any estate, inheritance, gift, value-added, sales, use, excise, transfer, personal property or similar taxes, duties, assessments or other governmental charges;

(d) in respect of any tax, assessment or other government charge payable other than by withholding or deduction;

(e) in respect of any payment to a holder of a Note that is a fiduciary or partnership or any Person other than the sole beneficial owner of such payment or Note, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner of such payment or Note would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual holder of such Note;

(f) to the extent a holder is liable for such taxes, duties, assessments or governmental charges because of the holder's failure to comply with any reasonable certification, identification or other reporting requirements concerning its nationality, residence, identity or connection with a Relevant Jurisdiction if (i) compliance is required by applicable law (including treaties), regulation or administrative practice as a precondition to exemption from all or a part of such taxes, duties, assessments or governmental charges and (ii) the holder is able to comply with those requirements without undue hardship; or

(g) in the case of any combination of paragraphs (a) to (f) above.

Notwithstanding any other provision of these Conditions, any amounts to be paid on the Notes by or on behalf of the Company will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the Code, or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Company nor any other person will be required to pay any Additional Amounts in respect of FATCA Withholding.

For purposes of these Conditions, "**Relevant Date**" means the date on which such payment first becomes due.

Any reference in these Conditions to principal, premium and/or interest shall be deemed to include any Additional Amounts which may be payable under this Condition 9 (*Taxation*) or any undertaking given in addition to or in substitution for it under the Trust Deed.

Any payments, including payments of withholding tax in foreign currency, made by the Company are required to be within the all-in-cost ceilings prescribed under the ECB Regulations and in accordance with any specific approvals from the RBI or the AD Bank, as the case may be, obtained by the Company.

10 EVENTS OF DEFAULT

If any of the following events (each an "**Event of Default**") occurs and is continuing, the Trustee at its discretion may, and if so requested in writing by holders of at least 25.0 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, subject in each case to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction, give notice to the Company that the Notes are, and they shall immediately become, due and payable at their principal amount together with accrued interest:

(a) **Non-Payment**: the failure to pay any principal, premium (if any) or interest in respect of any of the Notes on the date when due and such failure continues for a period of seven business days in the case of principal or 30 calendar days in the case of interest;

(b) **Breach of Other Obligations**: the Company or any Subsidiary Guarantor does not perform or comply with one or more of its obligations under these Conditions or the Trust Deed (other than its obligations referred to in paragraph (a) above) which default is, in the opinion of the Trustee, incapable of remedy or, if such default is, in the opinion of the Trustee, capable of remedy, is not remedied within 30 calendar days after notice of such default shall have been given to the Company by the Trustee;

(c) **Cross-acceleration**:

(i) the acceleration of any present or future Indebtedness of the Company, any Subsidiary Guarantor or any Restricted Subsidiary prior to its Stated Maturity by reason of any event of default, which acceleration is not rescinded or waived;

(ii) the Company, any Subsidiary Guarantor or any Restricted Subsidiary fails to make any payment in respect of any Indebtedness on the due date for payment as extended by any originally applicable grace period;

(iii) default is made by the Company, any Subsidiary Guarantor or any Restricted Subsidiary in making any payment due under any guarantee and/or indemnity given by it in relation to Indebtedness of any other person,

provided that the aggregate amount of Indebtedness in respect of which one or more of the events referred to in this Condition 10(c) (*Cross-acceleration*) have occurred exceeds U.S.$25.0 million (or the Dollar Equivalent thereof);

(d) **Unsatisfied judgment**: any final judgment or order from which no further appeal or judicial review is permissible for the payment of money shall be rendered against the Company, any Subsidiary Guarantor or any Restricted Subsidiary in an amount in excess of U.S.$25.0 million (or its Dollar Equivalent) individually or in the aggregate for all such final judgments or orders against all such Persons (exclusive of any amounts for which an insurance company has acknowledged in writing liability for) and shall not be discharged, and there shall be any period of 30 consecutive days following entry of the final judgment or order in excess of U.S.$25.0 million (or its Dollar Equivalent) individually or in the aggregate (exclusive of any

amounts for which an insurance company has acknowledged in writing liability for) during which a stay of enforcement of such final judgment or order, irrespective of reason, shall not be in effect;

(e) **Winding-up**: if any order is made by any competent court and is not discharged or stayed within 90 days or resolution is passed for the winding up or dissolution of the Company or any Subsidiary Guarantor, save for the purposes of reorganization on terms approved by an Extraordinary Resolution of the Noteholders;

(f) **Cessation of business**: the Company shall cease or threaten to cease to carry on the whole or a substantial part of the business conducted by the Company at the date of the issue of the Notes, save for the purpose of any reorganization on terms approved by an Extraordinary Resolution of Noteholders;

(g) **Insolvency**: the Company or any Subsidiary Guarantor stops or threatens to stop payment of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due, or is adjudicated bankrupt or insolvent, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is found bankrupt or insolvent; *provided* that the Company or any Subsidiary Guarantor availing itself of any industry wide moratorium made available by governmental or regulatory authorities to entities incorporated in the Republic of India in relation to payments under its debts shall not be an Event of Default under this paragraph (g);

(h) **Liquidation and insolvency proceedings**: if (i) proceedings are initiated against the Company or any Subsidiary Guarantor under any applicable liquidation, insolvency, composition, reorganization or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Company or any Subsidiary Guarantor or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them; and (ii) in any such case (other than the appointment of an administrator) unless initiated by the relevant company is not discharged or stayed within 90 days;

(i) **Creditors Arrangement**: the Company or any Subsidiary Guarantor (or their respective directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganization or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors);

(j) **Nationalization**: any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalization of all or a material part of the assets of the Company;

(k) **Illegality**: (i) it is or will become unlawful for the Company or any Subsidiary Guarantor to perform or comply with any one or more of its obligations under any of the Notes, any Subsidiary Guarantee or the Trust Deed; (ii) the obligations under the Notes, any Subsidiary Guarantee or the Trust Deed shall for any reason cease to be binding upon and enforceable against the Company or any Subsidiary Guarantor in accordance with its terms, or the binding effect or enforceability thereof shall be contested by the Company or any Subsidiary Guarantor; or (iii) the Company or any Subsidiary Guarantor shall deny that it has any further liability or obligation under the Notes, any Subsidiary Guarantee or the Trust Deed;

(l) **Analogous Events**: any event which under the governing laws of the applicable jurisdictions of the Company or any Subsidiary Guarantor has an analogous effect to any of the events referred to in Conditions 10(e) (*Winding-up*) to 10(j) (*Nationalization*) above occurs;

(m) **Security**: (i) the failure by the Company or JSW Jaigarh Port Limited (if applicable) to create and perfect a security interest over the Collateral for securing the obligations with respect to the Notes as required the Trust Deed or the Security Documents; (ii) any default by the Company or any Subsidiary Guarantor in the performance of any of its obligations under the Security Documents that adversely affects the enforceability, validity, perfection or priority of the applicable Lien on the Collateral or that adversely affects the condition or value of the Collateral, taken as a whole, in any material respect; (iii) the Company or any Subsidiary Guarantor denies or disaffirms in writing its obligations under any Security Document; or (iv) other than in accordance with the Trust Deed and the Security Documents, any Security Document ceases to be or is not in full force and effect or the Trustee or any Security Trustee ceases to have a first priority Lien over the Collateral (subject to any Permitted Liens); or

(n) **Guarantees**: any Subsidiary Guarantor denies its obligations under its Subsidiary Guarantee or any Subsidiary Guarantee is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect (other than due to a release in accordance with the terms of the Trust Deed); or

(o) **Concession Agreements**: if any of the Concession Agreements is terminated or varied by the relevant concessioning authority, is adversely affected by regulatory change or is or becomes illegal, void, voidable, unenforceable or of limited force and effect, which individually or in the aggregate results, or is reasonably likely to result, in a reduction of 25 per cent. or more in the EBITDA of the Company and its subsidiaries on a consolidated basis in any fiscal year and any such affected agreement is not replaced within 12 months with additional EBITDA providing for such amount of EBITDA which ensures that the net loss of the EBITDA of the Company and its subsidiaries on a consolidated basis is less than 25 per cent. in any subsequent fiscal year.

If an Event of Default specified in paragraph (h), (i) or (j) of this Condition 10 (*Events of Default*) occurs, the principal of, premium on, if any, and accrued interest (and any Additional Amounts thereon) on all the Notes shall become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Noteholders.

If the Trustee is unable in its sole discretion to determine whether an Event of Default or Default is capable or incapable of remedy and/or an event is materially prejudicial to the interests of the Noteholders, it may call for and rely conclusively on a resolution of the Noteholders to make such determination and the Trustee shall not be obliged to make any determination unless it has been indemnified and/or secured and/or pre-funded to its satisfaction.

Early redemption upon the occurrence of any Event of Default may require prior approval from the RBI or the AD Bank, as the case may be, in accordance with the ECB Regulations, before effecting such a redemption prior to the Maturity Date, and such approval may not be forthcoming.

11 PRESCRIPTION

Claims in respect of principal and interest shall be prescribed unless made within a period of 10 years in the case of principal (including any premium in respect thereof) and five years in the case of interest from the appropriate Relevant Date.

12 REPLACEMENT OF DEFINITIVE NOTES

If any Definitive Note is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar or any Transfer Agent, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Registrar or such Transfer Agent may require. Mutilated or defaced Definitive Notes must be surrendered before replacements will be issued.

13 MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

13.1 Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of Noteholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by the Company or by the Trustee and shall be convened by the Trustee upon a request in writing of the Noteholders holding not less than 10.0 per cent. in principal amount of the Notes for the time being outstanding, subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction. The quorum for any meeting to consider an Extraordinary Resolution will be two or more Persons holding or representing more than 50.0 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more Persons holding Notes or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*: (a) to modify the maturity of the Notes or the dates on which interest is payable in respect of the Notes; (b) to reduce or cancel the principal amount of, any premium payable in respect of, or interest on, the Notes; (c) to change the currency of payment of the Notes; (d) to change any obligation of the Company to pay Additional Amounts with respect to the Notes; (e) to reduce the premium payable upon the redemption or repurchase of any Note or change the time at which any Note may be redeemed or required to be repurchased under Condition 7 (*Redemption and Purchase*) whether through an amendment or waiver of provisions in the covenants, definitions or otherwise; or (f) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more Persons holding or representing not less than two thirds, or at any adjourned meeting not less than 25.0 per cent., in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on all Noteholders (whether or not they were present or represented at the meeting at which such resolution was passed).

An "**Extraordinary Resolution**" is defined in the Trust Deed to mean a resolution passed at a duly convened meeting of Noteholders by a majority of at least two thirds of the Notes represented at such meeting. A written resolution of holders, or a resolution via electronic means by holders, of not less than 75.0 per cent. in principal amount of the Notes for the time being outstanding shall also take effect as an Extraordinary Resolution for all purposes.

13.2 Modification and Waiver

The Trustee may agree, without the consent of the Noteholders, to any modification of (except as mentioned in Trust Deed), or to the waiver or authorization of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed or the Agency Agreement, or determine, without any such consent as aforesaid, that any Default or Event of Default shall not be treated as such (provided that, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders) and may agree, without the consent of the Noteholders, to any modification of any of these Conditions or any of the provisions of the Trust Deed or the Agency Agreement which, in its opinion, is of a formal, minor or technical nature, or is made to correct a manifest error, or is made to comply with applicable law. Any such modification, authorization or waiver shall be binding on the Noteholders and, unless Trustee otherwise agrees, such modification, authorization or waiver shall be notified by the Company to the Noteholders as soon as practicable in accordance with Condition 17 (*Notices*).

13.3 Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to compliance with the terms of the Trust Deed, but without the consent of the Noteholders, to the substitution of the Company's successor in business or any Subsidiary of the Company or its successor in business in place of the Company or any previous substituted company, as principal debtor under the Trust Deed and the Notes.

13.4 Entitlement of the Trustee

In connection with the exercise of its functions (including but not limited to those referred to in this Condition 13 (*Meetings of Noteholders, Modification, Waiver and Substitution*) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for, or the interest of, individual Noteholders and the Trustee shall not be entitled to require on behalf of any Noteholder, nor shall any Noteholder be entitled to claim, from the Company or the Trustee any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

14 ENFORCEMENT

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such actions, steps or proceedings against the Company and/or any Subsidiary Guarantor as it may think fit to enforce the terms of the Trust Deed and the Notes, but it shall not be required to take any such proceedings unless: (a) it has been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least 25.0 per cent. in principal amount of the Notes then outstanding; and (b) it has been indemnified and/or secured and/or pre-funded to its satisfaction. No Noteholder may institute proceedings directly against the Company unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

15 INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trust Deed provides that the Trustee shall not be required to take action on behalf of the Noteholders in certain circumstances unless it is indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee and its parent, subsidiaries and affiliates are entitled to enter into business transactions with the Company, any Subsidiary Guarantor and/or any entity related to any of them without accounting for any profit.

The Trustee are entitled to be paid or reimbursed for its fees, costs, expenses and indemnity payments and for any liabilities incurred by it in priority to the claims of the Noteholders.

The Trustee and the Agents may rely conclusively on any Opinion of Counsel, Officer's Certificate or any other advice, opinion, certificate, report or information delivered to or received by it without inquiry or investigation and shall not be liable to the Company, any Subsidiary Guarantor, the Security Trustee, any Noteholder or any other person for such reliance.

None of the Trustee or the Agents shall be responsible or liable to monitor the performance or compliance (whether financially or otherwise) by the Company, any Subsidiary Guarantor, the Security Trustee or any other person relating to the Notes or to ascertain if any event or circumstance (including but not limited to a Default, an Event of Default or any transaction or event referred to in Condition 5 (*Covenants*)) has occurred or may occur. Unless it has written notice from the Company to the contrary, each of the Trustee and the Agents shall be entitled to assume that all persons are duly performing and complying with its obligations and the terms and covenants of all transaction documents relating to the Notes. Without limiting the foregoing, none of the Trustee or the Agents shall be responsible or liable for the validity, adequacy, sufficiency, priority, registration, perfection or enforceability of any Collateral or any other security interest.

The Trustee and the Agents shall be entitled to rely conclusively on any instruction or resolution (including an Extraordinary Resolution) of Noteholders and shall not be liable to the Company, any Subsidiary Guarantor, the Security Trustee, any Noteholder or any other person for such reliance. Whenever the Trustee is required or entitled to exercise any discretion or power or to take or refrain from taking any action, the Trustee is entitled, prior to doing so, to seek directions or clarification from the Noteholders by way of an Extraordinary Resolution, and the Trustee shall not be responsible or liable for any loss or liability incurred by the Company, any Subsidiary Guarantor, the Security Trustee, any Noteholder or any other person as a result of any delay in it exercising such discretion or power or taking or refraining from taking such action as a result of seeking such directions or clarification or in the event that no such direction or clarification is given to the Trustee.

Each Noteholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, affairs, status and nature of the Company, the Subsidiary Guarantors and any asset constituting the Collateral. None of the Trustee or the Agents shall have any responsibility or liability to any Noteholder or any other person for the same and each Noteholder shall not rely on the Trustee or any Agent in respect thereof.

Repatriation of proceeds outside India by the Company under an indemnity clause requires the prior approval of the RBI, in accordance with the extant applicable laws and regulations of India, including the rules and regulations framed under the Foreign Exchange Management Act, 1999, as amended.

16 FURTHER ISSUES

The Company may from time to time, without the consent of the Noteholders and in accordance with the Trust Deed, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for any one or more of the first payment of interest, the issue date, the first interest payment date and, to the extent necessary, certain temporary securities law transfer restrictions) so as to form a single series with the Notes; provided, however, that if any such further notes are not fungible with the Notes for U.S. federal income tax purposes, such further notes will have a separate CUSIP and other identifying number from those of the Notes.

References in these Conditions to the Notes include (unless the context requires otherwise) any other notes issued pursuant to this Condition 16 (*Further Issues*) and forming a single series with the Notes.

17 NOTICES

Notices to the Noteholders will be sent to them at their respective addresses in the Register. The Company shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange of other relevant authority on which the Notes are for the time being listed.

Any such notice shall be deemed to have been given on the later of the date of such publication and the fourth day after being so sent.

So long as the Notes are represented by one or more global certificates held on behalf of DTC, notices to Noteholders may be given by delivery of the relevant notice to DTC for communication by it to entitled account holders in substitution for notification as required by these Conditions.

18 CURRENCY INDEMNITY

U.S. dollars are the sole currency of account and payment for all sums payable by the Company under or in connection with the Notes, including damages. Any amount received or recovered in a currency other than U.S. dollars (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Company or otherwise) by the Trustee or any Noteholder in respect of any sum expressed to be due to it from the Company shall only constitute a discharge to the Company to the extent of the U.S. dollars which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that U.S. dollar amount is less than the U.S. dollar amount expressed to be due to the recipient under any Note, the Company shall on demand indemnify it against any loss sustained by it as a result. In any event, the Company shall on demand indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition 18 (*Currency Indemnity*), it will be sufficient for the Trustee or the Noteholder to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Company's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Trustee or any Noteholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or any other judgment or order. If the U.S. dollar amount that may be purchased exceeds the amount so received or recovered in that other currency, any excess shall as soon as practicable be repaid to the Company.

19 GOVERNING LAW

19.1 Governing Law

The Trust Deed and the Notes, and all non-contractual obligations arising out of or in connection with the Trust Deed or the Notes, are governed by and shall be construed in accordance with English law. The Security Documents and the Security Trustee Agreement are governed by, and shall be construed in accordance with, the laws of India.

19.2 Jurisdiction

The courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed and the Notes (including, without limitation, a dispute regarding any non-contractual obligations arising out of or in connection with the Trust Deed or the Notes) and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed and the Notes ("**Proceedings**") may be brought in such courts. Each of the Company and the Subsidiary Guarantors has in the Trust Deed irrevocably submitted to the jurisdiction of the English courts in connection with any such Proceedings and waived any objections to Proceedings in such courts on the grounds of venue or that they have been brought in an inconvenient forum. Each of the Company and the Subsidiary Guarantors makes this submission solely for the benefit of the Trustee and the Noteholders and shall not limit the right of the Trustee or any Noteholder to initiate Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

19.3 Agent for Service of Process

Each of the Company and the Subsidiary Guarantors has in the Trust Deed appointed an agent to receive service of process in any Proceedings in England. If for any reason the Company or any Subsidiary Guarantor does not have such an agent in England, it will promptly appoint a substitute process agent and notify the Trustee of such appointment. Nothing herein shall affect the right to serve process in any other manner permitted by law.

19.4 Waiver of Immunity

Each of the Company and the Subsidiary Guarantors irrevocably agrees that, should any Proceedings be taken anywhere (whether for an injunction, specific performance, damages or otherwise), no immunity (to the extent that it may at any time exist, whether on the grounds of sovereignty or otherwise) from those Proceedings, from attachment (whether in aid of execution, before judgment or otherwise) of its assets or from execution of judgment shall be claimed by it or on its behalf or with respect to its assets, any such immunity being irrevocably waived. Each of the Company and the Subsidiary Guarantors irrevocably agrees that it and its assets are, and shall be, subject to such Proceedings, attachment or execution in respect of its obligations under the Trust Deed or the Notes.

DESCRIPTION OF THE COLLATERAL AND SECURITY DOCUMENTS

Collateral

The obligations of the Company with respect to each tranche of the Notes issued, or to be issued from time to time under the Offering and the performance of all other obligations of the Company under the Trust Deed and each tranche of the Notes issued, or to be issued from time to time under the Offering will be secured by the Collateral.

Each tranche of the outstanding Notes issued under the Offering shall be secured by the following Collateral:

(i) a pledge of 100% (one hundred per cent.) of the shares in each of the Subsidiary Guarantors which are held by the Company. For the avoidance of doubt, it is hereby clarified that any nominee shareholders of the Company holding shares in the respective Subsidiary Guarantors as nominees of the Company shall not be pledging such nominee shareholding in the respective Subsidiary Guarantors (the "**Initial Share Pledges**"); and

(ii) a first and exclusive *pari passu* charge by way of hypothecation (together with power of attorney) over all the Notes Issuer Loans and rights of the Company under the Notes Issuer Loan Documents (the "**Initial Charge**").

The aforementioned Collateral shall be created and perfected within the following timelines:

(a) the Initial Share Pledges shall be created and perfected within 150 (one hundred and fifty) days from the Closing Date; and

(b) the Initial Charge shall be created and perfected within 150 (one hundred and fifty) days from the Closing Date.

JSW Jaigarh Merger

Pursuant to the proviso sub-clause (a) to Condition 5.14 (*Consolidation, Merger and Sale of Assets*) of the Conditions, in the event the Company is merged into JSW Jaigarh Port Limited (the "**Issuer — JSW Jaigarh Merger**") (which if undertaken shall be subject to the receipt of all necessary regulatory or governmental approvals or consents (as applicable), including without limitation, of the concessioning authority, being the Maharashtra Maritime Board (the "**Authority**")):

(i) the Subsidiary Guarantee from JSW Jaigarh Port Limited will be released in connection with the Issuer — JSW Jaigarh Merger;

(ii) the pledge of shares of each of the Subsidiary Guarantors will be released and post the completion of the Issuer — JSW Jaigarh Merger, the shares of all the Subsidiary Guarantors other than JSW Jaigarh Port Limited will be repledged by JSW Jaigarh Port Limited as the shareholder (instead of the Company). Such pledge documents are referred to as the "**Replacement Pledge Documents**";

(iii) to the extent permitted by the Authority in its approval of the Issuer — JSW Jaigarh Merger, JSW Jaigarh Port Limited as the successor issuer of the Notes shall (a) create and perfect a first ranking *pari passu* security interest over the fixed assets and current assets pertaining to JSW Jaigarh Port Limited and (b) extend benefit of substitution to the holders of the Notes, in each case subject to and to such extent and in such manner permitted under the concession agreement for JSW Jaigarh Port Limited. Such security documents are referred to as the "**Subsequent JSW Jaigarh Port Security Documents**," and together with the security documents executed and/or to be executed for the Initial Share Pledges, the Initial Charge and the Replacement Pledge Documents, the "**Security Documents**").

The Replacement Pledge Documents and the Subsequent JSW Jaigarh Port Security Documents shall be executed and the corresponding security interests thereunder shall be perfected within 210 (two hundred and ten) days from the date on which the Issuer — JSW Jaigarh Merger is approved by an order of the relevant benches of the National Company Law Tribunal.

Ranking

The Collateral will be a first charge ranking *pari passu* among the Noteholders, without any preference or priority and shall rank *pari passu* with all the senior secured debt of the Company in accordance with the Note Documents (as defined in the Security Trustee Agreement) and Notes Issuer Loan Documents.

Collateral Documents

For the purpose of creating the Collateral in respect of each tranche of the Notes, the following documents are proposed to be executed in favor of the Security Trustee, acting for the benefit of the Trustee (acting on behalf and for the benefit of the Noteholders).

The Company may structure the creation and documentation of the Collateral to be efficient from a stamp duty perspective.

Security Trustee Agreement

A security trustee agreement dated January 21, 2022 will be entered into between, inter alia, the Company and the Security Trustee (the "**Security Trustee Agreement**"), pursuant to which the Company will settle a beneficial trust in favor of the Security Trustee and will appoint the Security Trustee to act for the benefit of the Senior Secured Creditors (as defined in the Security Trustee Agreement).

Deed of Hypothecation

A Deed of Hypothecation for the purpose of securing the Company's obligations under the Notes by way of a charge over all the Notes Issuer Loans and rights of the Company under the Notes Issuer Loan Documents.

Share Pledge Agreement

A Share Pledge Agreement for the purpose of securing the Company's obligations under the Notes by way of a pledge of 100% (one hundred per cent.) of the shares in each of the Subsidiary Guarantors which are held by the Company.

Subsidiary Guarantee

Each Subsidiary Guarantor shall execute a Subsidiary Guarantee for the purpose of guaranteeing the Company's obligations under Notes.

Definitions

"**Notes Issuer Loans**" shall mean the loans provided by the Company out of the proceeds of the Notes to the relevant Restricted Subsidiaries by way of unsecured senior inter-entity loans pursuant to the terms of the Notes Issuer Loan Documents.

"**Notes Issuer Loan Documents**" shall mean the loan agreements executed by the Company, as the lender, with the relevant Restricted Subsidiaries as borrowers, to provide the Notes Issuer Loans.

GLOBAL CERTIFICATES

Each Global Certificate will contain the following provisions which will apply to the Notes in respect of which they are issued while they are represented by such Global Certificate, some of which will modify the effect of the Conditions. Terms defined in the Conditions have the same meaning in this section.

Promise to Pay

For value received, the Company promises to pay the person who appears at the relevant time on the register of Noteholders as holder of the Notes in respect of which a Global Certificate is issued, such amount or amounts as shall become due and payable from time to time in respect of such Notes and otherwise to comply with the Conditions. Each payment will be made to, or to the order of, the person whose name is entered on the Register as holder at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means a weekday (Monday to Friday, inclusive) except December 25 and January 1.

For the purposes of a Global Certificate, (a) the holder of the Notes represented by such Global Certificate is bound by the provisions of the Trust Deed and are deemed to have notice of the provisions of the Agency Agreement applicable to it, (b) the Company certifies that the registered holder is, at the date hereof, entered in the Register as the holder of the Notes represented by such Global Certificate, (c) such Global Certificate is evidence of entitlement only, (d) title to the Notes represented by such Global Certificate passes only on due registration on the Register, and (e) only the holder of the Notes represented by such Global Certificate is entitled to payments in respect of the Notes represented by such Global Certificate.

Payment

Payments of principal and interest in respect of Notes evidenced by a Global Certificate held through DTC will be credited, to the extent received by the Principal Paying Agent or such other Paying Agent (as defined in the Conditions), to the cash accounts of DTC participants in accordance with the relevant system's rules and procedures and will be made without presentation for endorsement by the Principal Paying Agent or such other Paying Agent and, if no further payment falls to be made in respect of the Notes, against presentation and surrender of such Global Certificate to or to the order of the Principal Paying Agent or to the order of such other Paying Agent as shall have been notified to the relevant holder for such purpose. No person shall however be entitled to receive any payment on a Global Certificate (or such part of a Global Certificate which is required to be exchanged) falling due after any date of exchange into the Definitive Notes (as defined below) in definitive form unless exchange of such Global Certificate for such Definitive Notes is improperly withheld or refused by or on behalf of the Company or the Company does not perform or comply with any one or more of what are expressed to be its obligations under any such Definitive Notes.

Exchange

Owners of interests in the Notes in respect of which a Global Certificate is issued will be entitled to have title to the Notes registered in their names and to receive individual certificates in definitive form (the "**Definitive Notes**") if either (i) DTC or any other clearing system (an "**Alternative Clearing System**") is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so (ii) upon or following any failure to pay principal in respect of any Notes when it is due and payable; or (iii) with the written consent of the Company. In such circumstances, the Company at its own expense will cause sufficient Definitive Notes to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant holders of the Notes. A person with an interest in the Notes in respect of which such Global Certificate is issued must provide the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such exchange and a written order containing instructions and such other information as the Company and Registrar may require to complete, execute and deliver such Definitive Notes.

Notices

So long as the Notes are represented by one or more Global Certificate and such Global Certificates are held on behalf of DTC or any Alternative Clearing System, notices to holders of the Notes shall be given by delivery of the relevant notice to DTC or such Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Notes in substitution for notification as required by the Conditions.

Meetings

For the purposes of any meeting of Noteholders, the holder of the Notes represented by a Global Certificate shall (unless such Global Certificate represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and as being entitled to one vote in respect of each U.S.$1,000.

Company's Redemption

The option of the Company provided for in Conditions 7.2 and 7.3 shall be exercised by the Company giving notice to the Noteholders within the time limits set out in and containing the information required by the applicable Condition.

Transfers

Transfers of interests in the Notes will be effected through the records of DTC (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of DTC (or any Alternative Clearing System) and their respective direct and indirect participants. Where the holding of Notes represented by this Global Certificate is only transferable in its entirety, the certificate issued to the transferee upon transfer of such holding shall be a Global Certificate. Where transfers are permitted in part, certificates issued to transferees shall not be Global Certificates unless the transferee so requests and certifies to the Registrar that it is, or is acting as or as nominee for a common depositary for DTC and/or an Alternative Clearing System.

Cancellation

Cancellation of any Note which is required by the Conditions to be cancelled will be effected by a reduction in the principal amount of the Notes in the Register and the relevant Global Certificate on its presentation to or to the order of the Registrar for annotations (for information only) in such Global Certificate.

Trustee's Powers

In considering the interests of Noteholders while a Global Certificate is registered in the name of a nominee for a clearing system, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, but without being obligated to do so, (a) have regard to any information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of the Notes and (b) consider such interests on the basis that such accountholders were the holders of the Notes in respect of which such Global Certificate is issued.

TAXATION

The information provided below does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase, own or dispose of Notes. In particular, the information does not consider any specific facts or circumstances that may apply to a particular purchaser and does not purport to deal with the tax consequences applicable to all categories of investors (such as dealers in securities) some of whom may be subject to special rules. Neither these statements nor any other statements in this Offering Memorandum are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes.

Prospective purchasers of Notes are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of Notes, including the effect of any state or local taxes, under the tax laws applicable in India and each country of which they are residents or countries of purchase, holding or disposition of the Notes. Additionally, in view of the number of jurisdictions where local laws may apply, this Offering Memorandum does not discuss the local tax consequences to a potential holder, purchaser and seller arising from the acquisition, holding or disposition of the Notes. Prospective investors must therefore inform themselves as to any tax, exchange control legislation or other laws and regulations in force relating to the subscription, holding or disposition of Notes at their place of ordinance, and the countries of which they are citizens or countries of purchase, holding or disposition of Notes.

Indian Taxation

The following is a summary of certain Indian tax consequences for non-resident investors subscribing to the Notes and who do not hold the Notes in connection with an Indian trade, business or permanent establishment. The summary is based on existing Indian taxation law and practice in force at the date of this Offering Memorandum and is subject to change, possibly with retroactive effect. The summary does not constitute legal or tax advice and is not intended to represent a complete analysis of the tax consequences under Indian law of the acquisition, ownership or disposal of the Notes and does not cover all tax matters that may be of importance to a particular purchaser. Prospective investors should, therefore, consult their own tax advisers regarding the Indian tax consequences, as well as the tax consequences under any other applicable taxing jurisdiction, of acquiring, owning and disposing of the Notes. This summary does not purport to provide tax advice to any entity.

Taxation of Interest

The Income-tax Act, 1961 (the "**Income-tax Act**") is the law relating to taxation of income in India. Under the Income-tax Act, interest income payable to non-resident investors in respect of moneys borrowed is subject to Indian tax, if the issuance proceeds are for the purpose of business carried on by the Issuers in India or for the purposes of making or earning any income from any source in India. As per the Income-tax Act, a non-resident investor would be liable to pay tax on the interest paid on the Notes, at the rate of 5.0%[1], being monies borrowed in foreign currency by way of long term bonds issued between October 1, 2014 and June 30, 2023, subject to and in accordance with the conditions set out under Section 115A(1)(a) and Section 194LC of the Income-tax Act read with CBDT Circular no. 15/2014 dated October 17, 2014. If the said conditions are not satisfied, tax would be levied at the rate of 20%.

Section 194LC of Income-tax Act, has been amended by the Finance Act, 2020 (with effect from April 1, 2020) so as to (a) extend the period of rate of withholding tax of 5% on the interest payments against borrowing by way of issue of long-term bonds including infrastructure bonds from July 1, 2020 to June 30, 2023 (and which will include Notes); and (b) reduce the withholding tax to 4% for interest payable to a non-resident on issue of any long term bonds or Rupee denominated bonds issued on or after April 1, 2020 but before July 1, 2023, which are listed only on a recognized stock exchange located in any IFSC.

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1 All tax rates mentioned herein are exclusive of any applicable surcharge and health and education cess.

The rates of tax will stand reduced if the beneficial recipient is a resident of a country with which the Government has entered into an agreement for granting relief of tax or for avoidance of double taxation (a "**Tax Treaty**") and the provisions of such treaty read with Multilateral Instruments ("**MLI**") (if and to the extent applicable), which provide for the taxation in India of income by way of interest at a rate lower than that stated above, are fulfilled. The interest payable will be subject to withholding taxes in India, subject to conditions as detailed in the section titled "*Withholding Tax on Interest*" below.

A non-resident investor would be obligated to pay such income tax in an amount equal to, or would be entitled to a refund of, as the case may be, any difference between amounts withheld in respect of interest paid on the Notes and its ultimate Indian tax liability for such interest, subject to and in accordance with the provisions of the Income-tax Act. The non-resident Noteholders shall be obliged to provide all necessary information and documents, as may be required by our Company.

Withholding Tax on Interest

Under Section 194LC of the Income-tax Act, tax would be required to be withheld on interest payments made on Notes at the rate of 5%/4%, subject to satisfaction of conditions specified in Section 194LC of the Income-tax Act read with CBDT Circular no 15/2014 dated October 17, 2014. If such conditions are not satisfied tax would be required to be withheld at the rate of 20%. These rates would be subject to any lower rate of tax provided by an applicable Tax Treaty read with MLI, if and to the extent applicable.

Pursuant to the Terms and Conditions of the Notes, all payments of, or in respect of, principal and interest on the Notes, will be made free and clear of without set-off or counterclaim and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within India unless it is required by law, in which case, pursuant to Condition 9 (*Taxation*) of the Conditions, our Company will pay additional amounts as may be necessary in order that the net amounts received by the Noteholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes in the absence of the withholding or deduction, subject to certain exceptions.

With respect to interest on the Notes that is not subject to taxes in India (where the proceeds of the issuance of the Notes are used for the purposes of business carried on by our Company outside India or otherwise), our Company may be required to apply annually for an exemption from withholding tax under Section 195(2) of the Income-tax Act.

In respect of interest income on long term bonds issued to non-residents in accordance with Section 194LC of the Income-tax Act, pursuant to Section 206AA of the Income-tax Act, the payee is not required to provide its permanent account number to the payer. Hence, the Noteholders being non-residents are not required to provide their permanent account number.

Taxation of Gains Arising on Disposition

Any gains arising to a non-resident investor from disposition of the Notes held (or deemed to be held) as a capital asset will generally be chargeable to income tax in India if the Notes are regarded as property situated in India. A non-resident investor generally will not be chargeable to income tax in India from a disposition of the Notes held as a capital asset provided the Notes are regarded as being situated outside India. The issue as to where the Notes should properly be regarded as being situated is not free from doubt. The ultimate decision, however, will depend on the view taken by Indian tax authorities on the position with respect to the situs of the rights being offered in respect of the Notes, in terms of Section 9 of the Income-tax Act. There is a possibility that the Indian tax authorities may treat the Notes as being situated in India as our Company is incorporated in and resident in India.

If the Notes are regarded as situated in India by the Indian tax authorities, upon disposition of a Note:

(i) a non-resident investor, who has held the Notes for a period of more than 36 months immediately preceding the date of their disposition, would be liable to pay long-term capital gains tax at the rate of 10% (without indexation benefit) of the capital gains. Any taxation of capital gains would be subject to provisions/benefits available under the relevant Tax Treaty, provided the conditions prescribed under the relevant Tax Treaty read with MLI, (if and to the extent applicable) as well as the Income-tax Act are fulfilled;

(ii) a non-resident investor who has held the Notes for a period of 36 months or less would be liable to pay capital gains tax at a rate up to 40% of the capital gains, depending on the legal status of the non-resident investor and his taxable income in India and subject to any lower rate provided by any applicable Tax Treaty read with MLI, if and to the extent applicable; and

(iii) any surplus realized by a non-resident Investor from a disposition of the Notes held as stock-in-trade would be subject to income tax in India to the extent, if any, that the surplus is attributable to a 'business connection in India' or, where a Tax Treaty applies, to a 'permanent establishment' of the non-resident investor in India. A non-resident Investor would be liable to pay Indian tax on the profits which are so attributable to such 'business connection' or 'permanent establishment' at a rate of tax ranging up to 40%, depending on the legal status of the non-resident investor and his taxable income in India, subject to any beneficial provisions provided by any applicable Tax Treaty read with MLI, if and to the extent applicable.

Withholding Tax on gains

If applicable, under the tax law, tax shall be withheld by the person making any payment to a non-resident on long-term capital gains at 10% and short-term capital gains at 30% or 40%, depending on the legal status of the recipient of income, subject to any benefit provided for by a Tax Treaty read with MLI, if and to the extent applicable. Tax payable shall be computed in such manner as prescribed in this regard under the Income-tax Act. For the purpose of tax withholding, the non-resident investors shall be obliged to provide Permanent Account Number allotted by the tax authorities and/or all prescribed information/ documents, including tax residency certificate (issued by the tax authorities of the country in which the investor is resident) for claiming the Tax Treaty benefits.

Anti-avoidance Provisions

Under the Income-tax Act, there are both specific as well as generic anti-avoidance provisions relating to tax like transfer pricing provisions and General Anti-Avoidance Rules ("**GAAR**").

Under the transfer pricing provisions, any income arising from an international transaction between two related parties have to be computed having regard to the arm's length price ("**ALP**"). In the event that the Notes are transferred by a non-resident investor to another non-resident investor and such non-resident investors are related parties in accordance with the provisions of the Income-tax Act, then the transactions would have to be at ALP and necessary compliances are required to be undertaken by the investors.

Under the GAAR, an arrangement whose main purpose is to obtain tax benefits, may be declared as an "impermissible avoidance arrangement." According to Section 96(1) of the Income-tax Act "impermissible avoidance arrangement" means an arrangement of which the main purpose is to obtain a tax benefit, and which, inter alia, creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length. Further, the Income-Tax Act provides that if the main purpose of any part or step of the arrangement is to obtain tax benefits, the entire arrangement shall be presumed to have entered into with the purpose of obtaining a tax benefit and the burden of proof will be on the taxpayer to establish that obtaining a tax benefit was not the main purpose of the entire arrangement.

If GAAR provisions are invoked, it could result in significant implications for the parties to the transaction including inter alia, disregarding, combining or re-characterization of any step in or part or whole of the impermissible avoidance arrangement, denial of any tax benefit claimed by the taxpayer, or denial of benefit claimed by the non-resident under a Tax Treaty.

Wealth Tax

No wealth tax is payable in relation to the Notes.

Taxation of Persons Ordinarily Resident in India

Any income received in respect of the Notes by a person ordinarily resident in India under the provisions of the Income-tax Act may generally be subject to tax in India according to the personal or corporate tax rates applicable.

Estate Duty

No estate duty is payable at present in India in relation to the Notes.

Gift Tax

There is no gift tax payable at present in India in relation to the Notes.

Stamp Duty

A transfer of the Notes outside India will not give rise to any Indian stamp duty liability unless brought into India. Stamp duty would be payable if the Notes were to be brought into India for enforcement or for any other purpose. The amount of stamp duty payable would depend on the applicable stamp act of the Indian state(s) into which the Notes are brought and the duty will have to be paid within a period of three months from the date the Notes are first received in India.

Certain United States Federal Income Tax Considerations to U.S. Holders

The following discussion is a summary of certain U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes, but does not purport to be a complete analysis of all potential tax effects. The summary is limited to consequences relevant to a U.S. holder (as defined below), except for the discussion on FATCA (as defined under "— *Foreign Account Tax Compliance Act*"), and does not address the effects of any U.S. federal tax laws other than U.S. federal income tax laws (such as estate and gift tax laws) or any state, local or non-U.S. tax laws. This discussion is based upon the Internal Revenue Code of 1986, as amended (the "**Code**"), Treasury regulations issued thereunder, and judicial and administrative interpretations thereof, each as of the date hereof, and all of which are subject to change, possibly with retroactive effect. No rulings from the U.S. Internal Revenue Service (the "**IRS**") have been or are expected to be sought with respect to the matters discussed below. There can be no assurance that the IRS will not take a different position concerning the tax consequences of the purchase, ownership or disposition of the Notes or that any such position would not be sustained.

This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a U.S. holder in light of such U.S. holder's particular circumstances, including the impact of the unearned income Medicare contribution tax or the alternative minimum tax, or to holders subject to special rules, such as certain financial institutions, United States expatriates, insurance companies, dealers in securities or currencies, traders in securities, U.S. holders whose functional currency is not the U.S. dollar, U.S. holders who are subject to special tax accounting rules as a result of any item of gross income with respect to the Notes being taken into account in an applicable financial statement, tax-exempt entities, regulated investment companies, real estate investment trusts, partnerships or other pass through entities and investors in such entities and persons holding the Notes as part of a "straddle," "hedge," "conversion transaction" or other integrated transaction for U.S. federal income tax purposes. In addition, this

discussion is limited to persons who purchase the Notes for cash at original issue and at their "issue price" (the first price at which a substantial amount of the Notes is sold to the public for cash, excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) and who hold the Notes as capital assets within the meaning of Section 1221 of the Code.

For purposes of this discussion, a "U.S. holder" is a beneficial owner of a Note that is, for U.S. federal income tax purposes, (i) an individual who is a citizen or resident of the United States; (ii) a corporation created or organized in the United States or under the laws of the United States, any state thereof or the District of Columbia; (iii) any estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or if a valid election is in place to treat the trust as a U.S. person.

If any entity or arrangement treated as a partnership for U.S. federal income tax purposes holds the Notes, the U.S. federal income tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partner and the partnership. An entity or arrangement treated as a partnership for U.S. federal income tax purposes that is considering an investment in the Notes, and partners in such a partnership, should consult their tax advisors regarding the U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes.

Prospective purchasers of the Notes should consult their tax advisors concerning the tax consequences of holding Notes in light of their particular circumstances, including the application of the U.S. federal income tax considerations discussed below, as well as the application of other federal, state, local, non-U.S. or other tax laws.

Characterization of the Notes

In certain circumstances (see "*Terms and Conditions of the Notes — Redemption and Purchase — Scheduled Optional Redemption*"; "*Terms and Conditions of the Notes — Redemption and Purchase — Make Whole Redemption*" and "*Terms and Conditions of the Notes — Redemption and Purchase — Redemption for Change of Control Triggering Event*") we may be obligated to make certain other payments on the Notes in excess of stated principal and interest. We believe that the foregoing contingencies should not result in the Notes being treated as contingent payment debt instruments. Accordingly, we do not currently intend to treat the Notes as contingent payment debt instruments. Assuming such position is respected, a U.S. holder would be required to include in income the amount of any such additional payments at the time such payments are received or accrued in accordance with such U.S. holder's method of accounting for U.S. federal income tax purposes. Our position is binding on a holder, unless the holder discloses in the proper manner to the IRS that it is taking a different position. If the IRS successfully challenged this position, and the Notes were treated as contingent payment debt instruments, U.S. holders could be required to accrue interest income at a rate higher than their yield to maturity and to treat as ordinary income, rather than capital gain, any gain recognized on a sale, exchange, retirement, redemption or other taxable disposition of a Note. This disclosure assumes that the Notes will not be considered contingent payment debt instruments. U.S. holders are urged to consult their tax advisors regarding the potential application to the Notes of the contingent payment debt instrument rules and the consequences thereof.

Payments of Stated Interest

Payments of stated interest on the Notes (including any Additional Amounts paid in respect of withholding taxes and including the amount of tax withheld from payments of interest and Additional Amounts) generally will be taxable to a U.S. holder as ordinary income at the time that such payments are received or accrued, in accordance with such U.S. holder's method of accounting for U.S. federal income tax purposes. It is expected, and the remainder of this discussion assumes, that the Notes will not be issued with original issue discount for U.S. federal income tax purposes.

Sale, Exchange, Retirement, Redemption or Other Taxable Disposition of Notes

Upon the sale, exchange, retirement, redemption or other taxable disposition of a Note, a U.S. holder generally will recognize gain or loss equal to the difference, if any, between the amount realized upon such disposition (less any amount equal to any accrued but unpaid stated interest, which will be taxable as stated interest income as discussed above to the extent not previously included in income by the U.S. holder) and such U.S. holder's adjusted tax basis in the Note. The amount realized includes any withholding on payments of proceeds from such disposition (other than amounts attributable to accrued but unpaid interest and Additional Amounts paid with respect to such unpaid interest) and Additional Amounts paid with respect thereto. A U.S. holder's adjusted tax basis in a Note will, generally be the cost of such Note to such U.S. holder.

Any gain or loss recognized upon the sale, exchange, retirement, redemption or other taxable disposition of a Note generally will be U.S. source capital gain or loss, and generally will be long-term capital gain or loss if the U.S. holder held the Note for more than one year on the date of such disposition. Long-term capital gains of non-corporate U.S. holders (including individuals) are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Foreign Tax Credit

Subject to generally applicable restrictions and conditions (including a minimum holding period requirement), a U.S. holder may be able to claim a credit (or, at such holder's election, a deduction in lieu of such credit) with respect to any non-U.S. withholding taxes deducted from the payment of stated interest on the Notes in computing such holder's U.S. federal income tax liability. Stated interest income on a Note generally will constitute foreign source income and generally will be considered "passive category income" for purposes of computing the foreign tax credit. There are significant complex limitations on a U.S. holder's ability to claim foreign tax credits. Further, as gains on the disposition of a Note generally will be treated as U.S. source for U.S. federal income tax purposes, the use of U.S. foreign tax credits relating to any Indian income tax imposed upon such gain may be limited. U.S. holders are urged to consult their tax advisors regarding the tax consequences if a non-U.S. tax is imposed on a disposition of the Notes, including the availability of the foreign tax credit under their particular circumstances. U.S. holders should consult their tax advisors regarding the creditability or deductibility of any withholding taxes.

Substitution of the Issuer

Unless certain exceptions set forth in U.S. Treasury regulations apply, the substitution of another obligor in place of the Issuer (or of any previous substitute) as the principal debtor under the Notes, as described in "*Terms and Conditions of the Notes — Meetings of Noteholders, Modification, Waiver and Substitution — Substitution*" will be considered for U.S. federal income tax purposes to be a deemed exchange of the Notes for new notes, which may result in recognition of taxable gain or loss for U.S. federal income tax purposes and other possible adverse tax consequences. U.S. holders should consult their tax advisers regarding the tax consequences of any assumption of the Issuer's obligations under the Notes.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to payments of stated interest on the Notes (including Additional Amounts) and to the proceeds of the sale, exchange, retirement, redemption or other taxable disposition of a Note paid to a U.S. holder unless such U.S. holder properly establishes that it is a corporation or other exempt recipient. Backup withholding may apply to such payments if the U.S. holder fails to provide a taxpayer identification number or a certification that it is not subject to backup withholding.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a U.S. holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

Individuals that own "specified foreign financial assets" (which includes debt of non-U.S. entities) with an aggregate value in excess of certain thresholds at any time during the tax year generally are required to file an information report (IRS Form 8938) with respect to such assets with their tax returns. The Notes generally will constitute specified foreign financial assets subject to these reporting requirements, unless the Notes are held in an account at certain financial institutions. Under certain circumstances, an entity may be treated as an individual for purposes of these rules.

U.S. holders are urged to consult their tax advisors regarding the application of the foregoing disclosure requirements to their ownership of the Notes, including the significant penalties for non-compliance.

Foreign Account Tax Compliance Act

Pursuant to Section 1471 through 1474 of the Code (provisions commonly known as "**FATCA**"), a "foreign financial institution" may be required to withhold U.S. tax on "foreign passthru payments" made under certain debt instruments on or after the date that is two years after the date of publication in the U.S. Federal Register of applicable final regulations defining foreign passthru payments, to the extent such payments are treated as attributable to certain U.S. source payments. Under proposed regulations, any withholding on foreign passthru payments on Notes that are not otherwise grandfathered would apply to passthru payments made on or after the date that is two years after the date of publication in the U.S. Federal Register of applicable final regulations defining foreign passthru payments. Taxpayers generally may rely on these proposed regulations until final regulations are issued. Even if our Company is treated as a foreign financial institution, Notes issued on or prior to the date that is six months after the date on which applicable final regulations are filed generally would be "grandfathered" from FATCA unless materially modified after such date. Non-U.S. governments, including India, have entered into agreements with the United States (and additional non-U.S. governments are expected to enter into such agreements) to implement FATCA in a manner that alters the rules described herein.

Holders should consult their tax advisors on how these rules may apply to their investment in the Notes. In the event any withholding under FATCA is imposed with respect to any payments on the Notes, there will be no additional amounts payable to compensate for the withheld amount.

PLAN OF DISTRIBUTION

We intend to offer the Notes through the Joint Lead Managers. Subject to the terms and conditions of a subscription agreement dated January 13, 2022 between us and the Joint Lead Managers (the "**Subscription Agreement**"), we have agreed to sell to the Joint Lead Managers, and each of the Joint Lead Managers has agreed, severally and not jointly, to purchase from us, the principal amount of Notes set forth opposite its name below.

Joint Lead Managers	Principal amount of Notes
	(U.S.$)
Deutsche Bank AG, Singapore Branch	80,000,000
Standard Chartered Bank	80,000,000
Axis Bank Limited, Singapore Branch	80,000,000
Barclays Bank PLC	80,000,000
Emirates NBD PJSC	80,000,000
Total	400,000,000

Subject to the terms and conditions set forth in the Subscription Agreement, the Joint Lead Managers have agreed, severally and not jointly, to purchase all of the Notes sold under the Subscription Agreement if any of these Notes are purchased. The Subscription Agreement also provides that the obligation of the Joint Lead Managers to purchase the Notes is subject to approval of legal matters by their counsel, including the validity of the Notes, and other conditions contained in the Subscription Agreement, such as the receipt by the Joint Lead Managers of officers' certificates and legal opinions. The Joint Lead Managers reserve the right to withdraw, cancel or modify offers to investors and to reject orders in whole or in part.

The Joint Lead Managers initially propose to offer the Notes for resale at the issue price that appears on the cover of this Offering Memorandum. After the initial offering, the Joint Lead Managers may change the offering price and any other selling terms without notice. The Joint Lead Managers may offer and sell Notes through certain of their affiliates.

If a jurisdiction requires that the Offering be made by a licensed broker or dealer and the Joint Lead Managers or any of their respective affiliates is a licensed broker or dealer in that jurisdiction, the Offering shall be deemed to be made by it or such affiliate on behalf of us in such jurisdiction subject to all applicable laws and regulations.

Pursuant to the Subscription Agreement, we have agreed to indemnify the Joint Lead Managers against certain liabilities, including liabilities under the U.S. Securities Act, or to contribute to payments which the Joint Lead Managers may be required to make in respect of any such liabilities. We will also pay the Joint Lead Managers a commission and pay certain expenses relating to the Offering.

No Sales of Similar Securities

We have agreed that we will not, for a period of 30 days from the date of this Offering Memorandum, without first obtaining the prior written consent of Joint Lead Managers, directly or indirectly, offer, sell, contract to sell, issue or otherwise dispose of any U.S. dollar-denominated debt securities issued or guaranteed by us or warrants to purchase our debt securities substantially similar to the Notes, except for the Notes sold to the Joint Lead Managers pursuant to the Subscription Agreement.

New Issue of Securities

The Notes will constitute a new class of securities with no established trading market. In-principle approval has been received from India INX for listing of and quotation for the Notes. However, we cannot guarantee that the Notes will remain listed on the India INX or the prices at which the Notes will sell in the market after the offering will not be lower than the initial offering price or that an active trading market for the Notes will develop and continue after the offering. We do not intend to apply for listing of the Notes on any national securities exchange in the United States or for quotation of the Notes on any automated dealer quotation system in the United States. The Joint Lead Managers have advised us that they presently intend to make a market in the Notes after completion of this Offering. However, they are under no obligation to do so and may discontinue any market-making activities at any time without any notice and at their sole discretion. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Notes.

If an active trading market for the Notes does not develop or is not maintained, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, our operating performance and financial condition, general economic conditions, and other factors.

Delivery, Payment and Settlement

We expect that delivery of the Notes will be made against payment therefore on or about the date specified on the cover page of this Offering Memorandum, which will be the fifth business day following the date of pricing of the securities (this settlement cycle being referred to as "T+5"). Under Rule 15c6-1 under the U.S. Securities Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in two business days unless the parties to such trades expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes prior to the second business day before the settlement date will be required, by virtue of the fact that the Notes will initially settle in T+5, to specify an alternative settlement cycle at the time of such trade to prevent a failed settlement and should consult their own advisors.

Price Stabilization and Short Positions

In connection with the offering, the Joint Lead Managers may engage in transactions that stabilize, maintain, or otherwise affect the price of the Notes. Specifically, the Joint Lead Managers may over-allot this offering, creating a syndicate short position. The Joint Lead Managers may bid for and purchase Notes in the open market to cover syndicate short positions. In addition, the Joint Lead Managers may bid for and purchase Notes in the open market to stabilize the price of the Notes. These activities may stabilize or maintain the market price of the Notes above independent market levels. The Joint Lead Managers are not required to engage in these activities and may end any of these activities at any time.

Other Relationships

The Joint Lead Managers and certain of their affiliates may have performed and expect to perform various investment banking, transaction baking, commercial lending, consulting and financial advisory services to us, including our affiliates, in the ordinary course of business for which they may receive customary fees and expenses and may, from time to time, directly or indirectly through affiliates, enter into hedging or other derivative transactions, including swap agreements, future or forward contracts, option agreements or other similar arrangements with us, including our affiliates, which may include transactions relating to our obligations under the Notes, all to the extent permitted under the Trust Deed. Our obligations under these transactions may be secured by cash or other collateral to the extent permitted under the Trust Deed.

In addition, in the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the

accounts of their clients. Such investments and securities activities may involve our securities and/or instruments, including securities and/or instruments of our affiliates. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold or recommend to clients that they acquire long and/or short positions in such securities and instruments. The Joint Lead Managers or their respective affiliates may also purchase Notes for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to Notes and/or our other securities, as the case may be, or securities of our associates at the same time as the offer and sale of Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of Notes to which this Offering Memorandum relates (notwithstanding that such selected counterparties may also be purchasers of Notes). As a result of such transactions, the Joint Lead Managers or their affiliates may hold long or short positions relating to the Notes.

While each Joint Lead Manager and its affiliates have policies and procedures to deal with conflicts of interests, any such transactions may cause a Joint Lead Manager or its affiliates or its clients or counterparties to have economic interests and incentives which may conflict with those of an investor in the Notes. Each Joint Lead Manager may receive returns on such transactions and has no obligation to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective investor in the Notes.

Selling Restrictions

The distribution of this Offering Memorandum or any offering material and the offering, sale or delivery of the Notes is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Memorandum or any offering material are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Offering Memorandum may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Joint Lead Managers or any affiliate of the Joint Lead Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Joint Lead Manager or its affiliate on behalf of us in such jurisdiction.

United States

The Notes have not been and will not be registered under the U.S. Securities Act and, subject to certain exceptions, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Accordingly, the Notes are being offered and sold only (a) in the United States to a limited number of QIBs as defined in Rule 144A in connection with resales by the initial purchases of the Notes in accordance with Rule 144A and (b) outside the United States as defined in Regulation S in offshore transactions in accordance with Regulation S.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering or the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary is a criminal offense in the United States.

European Economic Area

Prohibition of Sales to EEA Retail Investors

Each Joint Lead Manager has represented and agreed that it has not offered, sold, or otherwise made available and will not offer, sell, or otherwise make available any Notes to any EEA retail investor in the European Economic Area ("**EEA**"). For the purposes of this provision the expression "**EEA retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Prohibition of Sales to UK Retail Investors

Each Joint Lead Manager has represented and agreed that it has not offered, sold, or otherwise made available and will not offer, sell, or otherwise make available any Notes to any UK retail investor in the United Kingdom (the "**UK**"). For the purposes of this provision the expression "**UK retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (8) of Article 2 of Regulation (EU) 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the "**EUWA**"), subject to amendments made by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (SI 2018/1403) (as may be amended or superseded from time to time); or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA, subject to amendments made by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (SI 2018/1403) (as may be amended or superseded from time to time.

Each Joint Lead Manager has represented, warranted, and agreed that:

(i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing, or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage, or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Company;

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Company or any Subsidiary Guarantors; and

(iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Singapore

Each Joint Lead Manager has acknowledged that this Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA; (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where any Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Section 309B(1)(c) of the SFA — the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets' products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Republic of Italy

The offering of any Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, each Joint Lead Manager has represented and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, any

Notes in the Republic of Italy in a solicitation to the public, and that sales of Notes in the Republic of Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

Each Joint Lead Manager has represented and agreed that it will not offer, sell, or deliver any Notes or distribute copies of this Offering Memorandum or any other document relating to the Notes in the Republic of Italy except:

(1) to Qualified Investors (*investitori qualificati*), as defined in Article 100 of Legislative Decree No. 58 of February 24, 1998, as amended ("**Decree No. 58**") and as defined under Article 34-*ter*, first paragraph, letter b) of CONSOB Regulation No. 11971 of May 14, 1999, as amended ("**CONSOB Regulation No. 11971**"); or

(2) in other circumstances where an express exemption from compliance with the public offering restrictions applies, as provided under Article 100 of Decree No. 58 or CONSOB Regulation No. 11971.

Any offer, sale or delivery of any Notes or distribution of copies of this Offering Memorandum and any supplement thereto or any other document relating to the Notes in the Republic of Italy must:

(a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of September 1, 1993, as amended (the "**Banking Act**"), Decree No. 58 and CONSOB Regulation No. 16190 of October 29, 2007 (as amended from time to time) and any other applicable laws and regulations; and

(b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time and/or any other Italian authority.

Please note that in accordance with Article 100-*bis* of the Consolidated Financial Services Act, where no exemption from the rules on public offerings applies under (1) and (2) above, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Consolidated Financial Services Act and CONSOB Regulation No. 11971. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.

India

Each Joint Lead Manager has represented, warranted, and agreed that it has not offered or sold and will not offer or sell the Notes in the Republic of India and has not made and will not make any invitation in the Republic of India to subscribe for the Notes. This Offering Memorandum has not and will not be registered or produced or made available as an offer document whether as a prospectus in respect of a public offer or an information memorandum or a private placement offer cum application letter or any other offering material in respect of a private placement under the Indian Companies Act or any other applicable Indian laws (for the time being in force), with the Registrar of Companies, the Securities and Exchange Board of India or any other statutory, adjudicatory or regulatory body of like nature in India, save and except for any information from any part of this Offering Memorandum which is mandatorily required to be disclosed or filed in India under any applicable Indian laws, including but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, and under the listing agreements with any Indian stock exchanges pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or pursuant to the sanction of any regulatory and adjudicatory body in India. The Notes will not be offered or sold, and have not been offered or sold, in India by means of any document whether as a principal or

an agent, and this Offering Memorandum or any other offering document or material relating to the Notes will not be circulated or distributed and have not been circulated or distributed, directly or indirectly, to any person or the public or any member of the public in India or otherwise generally distributed or circulated in India. The Notes have not been offered or sold, and will not be offered or sold to any person, in India, including in circumstances which would constitute an advertisement, invitation, offer, sale or solicitation of an offer to subscribe for or purchase any securities in violation of any Indian laws whether to the public or by way of private placement) within the meaning of the (Indian) Companies Act, 2013, and the rules framed thereunder, each as amended, or any other applicable Indian laws for the time being in force. The acquisition of these Notes by Indian residents may be prohibited under the FEMA and the rules and regulations thereunder. This Offering Memorandum has not been and will not be reviewed or approved by any regulatory authority in India or by the Indian stock exchange.

In connection with the offering and sale of the Notes, each Joint Lead Manager that subscribes to the Notes represents, acknowledges and undertakes (severally and not jointly) that the Disclosure Documents or any material relating to the Notes has not been and will not be circulated or distributed to any prospective investor who is a Restricted Overseas Person, and the Notes will not be offered or sold and have not been offered or sold to any person who is a Restricted Overseas Person.

For the purposes of this section, the terms "**Restricted Jurisdiction**" and "**Restricted Overseas Person**" shall have the following meaning:

"**Restricted Jurisdiction**" means any jurisdiction: (i) which is not a member of the FATF or a member of a FATF-style regional body; (ii) whose securities market regulator is not a signatory to the International Organization of Securities Commission's "Multilateral Memorandum of Understanding (Appendix A Signatories)" or a signatory to a bilateral memorandum of understanding with the SEBI for information sharing arrangements; or (iii) which is identified in the public statement of the FATF as: (a) a jurisdiction having strategic Anti-Money Laundering or Combating the Financing of Terrorism deficiencies to which counter-measures apply; or (b) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the FATF to address the deficiencies; and

"**Restricted Overseas Person**" means (i) a person (including an individual, partnership, unincorporated syndicate, limited liability company, unincorporated organization, trust, trustee, executor, administrator or other legal representative) in, or resident in, a Restricted Jurisdiction, and includes a branch of an entity located in a Restricted Jurisdiction; (ii) any multilateral or regional financial institution in which India is not a member country; and (iii) an individual (a) which is not a foreign equity holder (as defined in the ECB Guidelines) or (b) if the Notes cease to be listed on a stock exchange (which is not in India).

Hong Kong

The Notes may not be offered or sold in Hong Kong by means of any document other than to (1) "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO, or (2) in circumstances that do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**CWUMPO**") or that do not constitute an offer to the public within the meaning of the CWUMPO. No invitation, advertisement or document relating to the Notes may be issued, whether in Hong Kong or elsewhere, that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Notes that are intended to be disposed of only to persons outside Hong Kong or only to "professional investors," as defined under the SFO and any rule made under the SFO.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act and are subject to the Special Taxation Measures Act. The Notes may not be offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and governmental guidelines of Japan. In addition, the Notes are not, as part of the initial distribution by the Joint Lead Managers, to be directly or indirectly offered or sold in Japan or to, or for the benefit of, (i) any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan but excluding certain financial institutions defined in Article 6, paragraph 9 of the Special Taxation Measures Act and any other excluded category of persons, corporations or other entities under the Special Taxation Measures Act), or (ii) any individual non-resident of Japan or non-Japanese corporation that in either case is a specially-related person of the Company, or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or specially-related person of the Company.

Switzerland

This Offering Memorandum is not intended to constitute an offer or solicitation to purchase or invest in the Notes described herein. The Notes may not be publicly offered, sold, or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Offering Memorandum nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations and neither this Offering Memorandum nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

The People's Republic of China

This Offering Memorandum does not constitute a public offer of the Notes, whether by sale of by subscription, in the People's Republic of China. The Notes will not be offered or sold within the People's Republic of China by means of this Offering Memorandum or any other document.

TRANSFER RESTRICTIONS

As a result of the following restrictions, investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Notes offered hereby.

The Notes have not been and will not be registered under the U.S. Securities Act and may not be offered, sold or delivered within the United States (as defined in Regulation S under the U.S. Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Accordingly, the Notes are being offered and sold only (1) to QIBs in compliance with Rule 144A under the U.S. Securities Act and (2) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

Each purchaser of Notes, by its acceptance thereof, will be deemed to have acknowledged, represented to and agreed with the Company and the Joint Bookrunners as follows:

1. It understands and acknowledges that the Notes have not been registered under the U.S. Securities Act or any other applicable securities laws and that the Notes are being offered for resale in transactions not requiring registration under the U.S. Securities Act or any other securities laws, including sales pursuant to Rule 144A under the U.S. Securities Act, and, unless so registered, may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the U.S. Securities Act or any other applicable securities laws, pursuant to an exemption therefrom or in any transaction not subject thereto and in each case in compliance with the conditions for transfer set forth in paragraphs 4 and 5 below.

2. It is not an "affiliate" (as defined in Rule 144 under the U.S. Securities Act) of the Issuer or acting on the Issuer's behalf and that either:

   (a) it is a qualified institutional buyer, within the meaning of Rule 144A under the U.S. Securities Act and is aware that any sale of these Notes to it will be made in reliance on Rule 144A under the U.S. Securities Act, and such acquisition will be for its own account or for the account of another qualified institutional buyer; or

   (b) it is purchasing the Notes in an offshore transaction pursuant to Regulation S.

3. It acknowledges that none of the Company or the Joint Bookrunners, nor any person representing any of them, has made any representation to it with respect to the Issuer or the offer or sale of any of the Notes, other than the information contained in this Offering Memorandum, which Offering Memorandum has been delivered to it and upon which it is relying in making its investment decision with respect to the Notes. It acknowledges that neither the Joint Bookrunners nor the Transfer Agent, nor any person representing them, make any representation or warranty as to the accuracy or completeness of this Offering Memorandum. It has had access to such financial and other information concerning the Company and the Notes as it has deemed necessary in connection with its decision to purchase any of the Notes, including an opportunity to ask questions of, and request information from, the Company and the Joint Bookrunners.

4. It is purchasing the Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent with sole investment discretion, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the U.S. Securities Act or any state securities laws, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and subject to its or their ability to resell such Notes pursuant to Rule 144A, Regulation S or any other exemption from registration available under the U.S. Securities Act.

5. It agrees on its own behalf and on behalf of any investor account or accounts for which it is purchasing the Notes, and each subsequent holder of the Notes by its acceptance thereof will be deemed to agree, to offer, sell or otherwise transfer such Notes prior to the date (the "**Resale Restriction Termination Date**") that is one year (in the case of Rule 144A Notes) after the later of the date of the original issue and the last date on which Issuer or any of their affiliates were the owner of such Notes (or any predecessor thereto) only (i) to the Issuer, (ii) pursuant to a registration statement that has been declared effective under the U.S. Securities Act, (iii) for so long as the Notes are eligible pursuant to Rule 144A under the U.S. Securities Act, to a person such purchaser reasonably believes is a qualified institutional buyer that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that the transfer is being made in reliance on Rule 144A under the U.S. Securities Act, (iv) pursuant to offers and sales that occur outside the United States in compliance with Regulation S under the U.S. Securities Act or (v) pursuant to any other available exemption from the registration requirements of the U.S. Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and to compliance with any applicable state securities laws, and any applicable local laws and regulations, and further subject to the Issuer's and the Trustee's rights prior to any such offer, sale or transfer (I) pursuant to clause (v), to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them and (II) in each of the foregoing cases, to require that a certificate of transfer is completed and delivered by the transferor to the Trustee. The foregoing restrictions on resale will not apply subsequent to the Resale Restriction Termination Date.

6. It agrees that it will give to each person to whom it transfers the Notes notice of any restrictions on the transfer of such Notes.

7. It acknowledges that the Issuer, the Joint Bookrunners, the Transfer Agent and others will rely upon the truth and accuracy of such purchaser's acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by of such purchaser's purchase of the Notes is no longer accurate, of such purchaser shall promptly notify the Issuer, the Joint Bookrunners and the Transfer Agent. If it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account.

8. It understands that if it is a purchaser outside the United States, the Notes will be represented by the Unrestricted Global Certificate and that transfers thereto are restricted as described under "*Global Certificates*." If it is a qualified institutional buyer, it understands that the Notes offered in reliance on Rule 144A will be represented by the Restricted Global Certificate.

Each purchaser acknowledges that the Restricted Global Certificate will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT ("**RULE 144A**")), (2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "**RESALE RESTRICTION TERMINATION DATE**") WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) ONLY (A) TO THE COMPANY, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM AND (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND;

Each purchaser of Notes represented by the Restricted Global Certificate will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in these Notes as well as to holders of these Notes.

LEGAL MATTERS

The validity of the Notes and certain other legal matters are being passed upon for the Company by Milbank LLP with respect to matters of U.S. federal securities law and English law and Saraf and Partners with respect to matters of Indian law. Certain legal matters will be passed upon for the Joint Lead Managers by Linklaters Singapore Pte. Ltd. with respect to matters of U.S. federal securities law and English law and Cyril Amarchand Mangaldas with respect to matters of Indian law.

INDEPENDENT ACCOUNTANTS

The Audited Consolidated Financial Statements of the Company have been audited by HPVS & Associates, Chartered Accountants, as set forth in their audit reports included herein. The unaudited condensed consolidated interim financial statements of the Company as at and for the six months ended September 30, 2020 and 2021 have been reviewed by HPVS & Associates, Chartered Accountants, as set forth in their review report included therein. The statutory auditor of the Company is HPVS & Associates.

GENERAL INFORMATION

1. The issue of the Notes has been authorized by a special resolution passed at the extraordinary general meeting of the shareholders of the Company held on October 27, 2021. The giving of the Subsidiary Guarantees have also been authorized by the respective Subsidiary Guarantors.

2. DB Trustees (Hong Kong) Limited has given its consent to act as the Trustee and for its name to be included in all subsequent periodical communication to be sent to the Noteholders.

3. Save as disclosed in this Offering Memorandum, there are no, nor have there been any, litigation or arbitration proceedings, including those which are pending or threatened, of which we are aware, which may have, or have had during the 12 months prior to the date of this Offering Memorandum, a material adverse effect on our financial position.

4. Save as disclosed in this Offering Memorandum, there has been no material change in our financial or trading position since September 30, 2021 and, since such date, save as disclosed in this Offering Memorandum, there has been no material adverse change in our financial position or prospects.

5. Copies of the following documents, all of which are published in English, will be made available for inspection upon prior written request and proof of holding and identity to the satisfaction of the Principal Paying Agent, at all reasonable times during usual business hours (being 9:00 a.m. (Hong Kong time) to 3:00 p.m. (Hong Kong time) Monday to Friday except for public holidays) from the specified address of the Principal Paying Agent (being, as of the date hereof, at 1 Columbus Circle, 17th Floor, MS NYC01-1710, New York, NY 10019, United States) after the date of this Offering Memorandum for so long as any of the Notes remains outstanding:

   (a) the Trust Deed; and

   (b) the Agency Agreement.

6. We expect that the Global Notes will be accepted for clearance through the facilities of DTC and its direct and indirect participants, including Clearstream and Euroclear, on January 21, 2022.

   The CUSIP, ISIN and Common Code numbers for the Notes are as follows:

	Rule 144A Notes	**Regulation S Notes**
CUSIP	46654X AA7	Y4470X AA1
ISIN	US46654XAA72	USY4470XAA10
Common Code	243260515	243260531

7. Listing of the Notes:

   In-principle approval has been received from India INX for the listing and trading on the GSM of the India INX of the Notes. The listing of the Notes is in compliance with the International Financial Services Centres Authority (Issuance and Listing of Securities) Regulations, 2021, as amended from time to time.

8. Our Legal Entity Identifier is 3358003E3YFK92C9WX80.

INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS

Unaudited Consolidated Financial Results as of September 30, 2021 and for the six months ended September 30, 2020 and 2021

Statement of Unaudited Consolidated Financial Results for the six months ended September 30, 2021 . . . . . F-2

Statement of Assets and Liabilities F-5

Consolidated Cash Flow Statement for the six months ended September 30, 2021 . . . . . F-6

Independent Auditor's Review Report on Review of Consolidated Interim Financial Results . . . F-7

Audited Consolidated Financial Statements as of March 31, 2021 and for the year ended March 31, 2021

Independent Auditor's Report F-9

Consolidated Balance Sheet F-17

Consolidated Statement of Profit and Loss F-18

Consolidated Statement of Changes in Equity F-19

Consolidated Statement of Cash Flows F-20

Notes to the Consolidated Financial Statements F-22

Audited Consolidated Financial Statements as of March 31, 2020 and for the year ended March 31, 2020

Independent Auditor's Report F-85

Consolidated Balance Sheet F-93

Consolidated Statement of Profit and Loss F-94

Consolidated Statement of Changes in Equity F-95

Consolidated Statement of Cash Flows F-96

Notes to the Consolidated Financial Statements F-98

JSW INFRASTRUCTURE LIMITED

Registered Office : JSW Centre, BKC, Bandra (East), Mumbai-400051
Phone:022-4286 1000 , Fax:022-4286 3000
CIN: U45200MH2006PLC161268

Statement of Unaudited Consolidated Financial Results for the quarter and six months ended September 30, 2021

(Rs. in Lakhs, except EPS)

Sr. No.	Particulars	Unaudited			Audited
		Quarter ended 30.09.2021	Six months ended 30.09.2021	Six months ended 30.09.2020	Year ended 31.03.2021
	Income				
1	Revenue from Operations	52,590.04	107,990.92	61,894.89	160,357.05
	Other Income	2,528.48	4,310.80	4,540.87	7,469.25
	Total Income	**55,118.52**	**112,301.72**	**66,435.76**	**167,826.30**
2	**Expenses**				
	Operational Expenses	22,583.93	43,564.45	20,988.93	57,460.29
	Employee Benefits Expense	3,412.28	6,364.08	3,708.73	11,134.97
	Finance Costs	7,211.00	16,021.03	8,972.41	22,785.75
	Depreciation & Amortisation Expenses	10,707.36	18,417.60	11,518.87	27,065.53
	Other Expenses	3,403.03	6,662.33	4,520.46	10,117.91
	Total Expenses	**47,317.60**	**91,029.49**	**49,709.40**	**128,564.45**
3	**Profit before Tax**	**7,800.92**	**21,272.23**	**16,726.36**	**39,261.85**
4	**Tax Expense (Including Deferred Tax)**				
	Current Tax	**1,608.30**	**3,284.03**	**2,500.98**	**2,375.53**
	Deferred Tax	**(4,110.65)**	**(3,183.53)**	**1,553.77**	**8,424.01**
	Total Tax Expense	**(2,502.35)**	**100.50**	**4,054.75**	**10,799.53**
5	**Profit for the year**	**10,303.27**	**21,171.73**	**12,671.61**	**28,462.31**
6	**Other Comprehensive Income**				
	(i) Items that will not be reclassified to Profit or loss				
	Remeasurements of defined benefit plans	87.42	87.42	-	15.72
	Income Tax relating to items that will not be reclassified to profit or loss	(24.38)	(24.38)	-	(4.34)
	(ii) Items that will be reclassified to Profit or loss				
	Changes in Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	21.69	22.90	(42.29)	(55.13)
	Income Tax relating to items that will be reclassified to profit or loss	(7.58)	(8.00)	14.78	19.26
	Total Other Comprehensive Income/(loss) for the year	**77.15**	**77.94**	**(27.51)**	**(24.49)**
7	**Total Comprehensive Income for the period**	**10,380.42**	**21,249.67**	**12,644.10**	**28,437.82**
8	**Profit for the year attributable to:**				
	-Owners of the company	9,972.25	20,585.02	12,165.16	29,138.32
	-Non-controlling interest	331.02	586.70	506.45	(676.01)
9	**Other comprehensive income for the year attributable to:**				
	-Owners of the company	74.32	75.11	(27.51)	(26.76)
	-Non-controlling interest	2.83	2.83	-	2.27
10	**Total comprehensive income for the year attributable to:**				
	-Owners of the company	10,046.56	20,660.13	12,137.65	29,111.57
	-Non-controlling interest	333.85	589.53	506.45	(673.75)
11	**Earning per Equity Share of Rs. 10/- each**				
	Basic (not annualised for quarter and six months ended)	16.64	34.35	20.30	48.62
	Diluted (not annualised for quarter and six months ended)	16.59	34.24	20.23	48.47

Notes :

1 The above results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 27, 2021. The statutory auditors of the company have conducted a limited review of the above unaudited financial results for the quarter and six months ended September 30, 2021. However, the statement of cash flows for the corresponding six months ended September 30, 2020, as reported in the accompanying statement have been approved by the company's Board of Directors, but have not been subject to review by the auditors.

2 The group is primarily engaged in the segment of "Port Services" and there are no reportable segments as per IND AS 108- Operating Segments.

3 The group has considered the possible effects that may result from Covid-19 in the preparation of these financial results including the recoverability of carrying amount of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainty and the economic conditions because of Covid-19, the group has at the date of approval of the financial results used internal and external source of information and expect that the carrying amount of the assets will be recovered. The impact of Covid-19 on the group's financial results may differ from that estimated as at the date of approval of the same.

4 There are 5,424 Rated, Listed, Zero Coupon, Redeemable, Non- Convertible Debentures of the Nominal Value of 10,00,000 each secured by pledging shares of JSW Steel Limited & JSW Energy Limited. Presently Outstanding 2,712 Debentures agreegating to Rs 27,120 Lakhs (Rupees twenty seven thousand one hundred twenty Lakhs) only. The assets cover thereof exceeds 100% of the principal outstanding amount of said NCD. For disclosure under clause 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) regulations 2015, details are as under:

(Rs. in Lakhs)

Particulars	Quarter ended 30.09.2021	Six months ended 30.09.2021	Six months ended 30.09.2020	Year ended 31.03.2021
Credit rating (by Brickwork Ratings India Private Limited)	BWR AA- (CE)/Stable	BWR AA-(CE)/Stable	BWR AA-(CE)/Stable	BWR AA-(CE)/Stable
Paid up Equity Share Capital (net of treasury shares)	5,992.91	5,992.91	5,992.91	5,992.91
Reserves (excluding Revaluation Reserve)	325,587.57	325,587.57	282,496.04	302,850.14
Net worth	258,818.93	258,818.93	223,939.70	240,923.73
Paid up Debt Capital / Outstanding Debt	406,031.53	406,031.53	313,027.26	394,581.83
Debt Equity Ratio	1.57	1.57	1.40	1.64
Earnings Per Share (of Rs. 10/- each) (for continuing and discontinued operations)	16.64	34.35	20.30	48.62
Debenture Redemption Reserve	2,712.00	2,712.00	-	-
Debt Service Ratio	1.30	0.72	1.75	1.09
Interest Coverage ratio	2.35	2.68	2.67	2.80
Current Ratio	1.76	1.76	2.22	1.53
Long term debt to working capital	3.05	3.05	2.62	3.83
Bad debt to accounts receivable ratio^	-	-	-	-
Current liability ratio	0.20	0.20	0.18	0.20
Total debts to total assets	0.48	0.48	0.46	0.48
Debtors Turnover	1.20	2.62	1.34	3.51
Inventory Turnover ^^	-	-	-	-
Operating Margin (%)	0.44	0.48	0.53	0.51
Net Profit Margin(%)	0.20	0.20	0.20	0.18

^ There are no bad debts in the company, accordingly this ratio is no applicable

^^ The company is not in manufacturing and inventory only includes Spares, accordingly this ratio is not applicable

i Debt Equity Ratio: Debt/ Net Worth

ii Debt Service Coverage Ratio: Earnings before Interest and Tax/(Interest + Principal Repayment)
* Debt includes Debentures and Term loan

iii Interest Service Coverage Ratio: Earnings before Interest and Tax/Interest Expenses

iv Current Ratio : Current Assets/Current Liabilities

v Long term debt to working capital = Total long term loans (Including current maturities of long term debt) / Total working capital [Total working capital = Current assets -Current liabilities (excluding current maturities of long term debt)]

vi Current liability ratio = Current liabilities/ Total liabilities

vii Total debts to total assets = Total debt/ Total assets

viii Debtors Turnover (no. of days) = Average Trade receivables /Revenue from operations X No. of days in the reporting period

ix Operating Margin (%) = Operating EBIDTA (Net profit before tax - Other Income + Finance charges + Depreciation) / Revenue from operations X 100

x Net Profit Margin(%) = Net profit after tax/ Revenue from operations X 100

H P V S & Associates MUMBAI 13/533W Chartered Accountants

JSW INFRASTRUCTURE

5 Details of Due Date for the payment of interest and redemption of NCDs :
Previous Due Date - Series 'A' due on 5th March 2021 : Rs 2,45,97,79,405 (including premium of Rs. 29,17,79,405)
Next Due Date - Series 'B' due on 4th March 2022 : Rs 3,41,46,50,769 (including premium of Rs. 70,26,50,769)

6 Company has redeemed 2,168 Rated, Listed, Zero Coupon, Redeemable, Non- Convertible Debentures of the Nominal Value of 10,00,000 amounting to total Rs. 21,680 Lakhs during the previous year.

7 As per MCA notification GSR574(E) dated August 16, 2019 read with MCA Notification dated February 19, 2021 on the Companies (specification of definitions) Rules, 2014, Debenture Redemption Reserve (DRR) is created at 10% of Outstanding value of debentures.

8 The Statement includes the results for the quarter ended September 30, 2021 being the balancing figure between six months ended September 2021 and the management certified figures up to the end of June 30, 2021 which were not subject to limited review by statutory auditors.

9 Previous year's figures have been regrouped and reclassified, wherever necessary, to make them comparable with current year figures.

For and on behalf of the Board of Directors

Place: Mumbai
Date : October 27, 2021

ARUN MAHESHWARI
Jt Managing Director & CEO

H P V S & Associates MUMBAI 137533W Chartered Accountants

JSW INFRASTRUCTURE LTD.

Statement of Assets and Liabilities

₹ in Lakhs

Particulars	As at 30th September, 2021	As at 31st March, 2021
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	356,842.17	344,136.39
Capital Work-in-Progress	109,399.76	112,386.33
Goodwill	3,624.40	3,624.40
Right-of-Use Assets	36,475.34	37,490.47
Intangible Assets	99,437.43	107,147.10
Intangible Assets Under Development	148.45	118.55
Financial Assets		
Investments	28,300.84	29,550.84
Loans	3,284.37	4,633.71
Other Financial Assets	4,292.94	3,237.29
Deferred Tax Assets	12,391.83	9,583.67
Other Non-Current Assets	7,298.54	6,958.92
Total Non-Current Assets	**661,496.07**	**658,867.67**
Current Assets		
Inventories	8,052.59	9,914.84
Financial Assets		
Investments	-	-
Trade Receivables	41,278.84	41,153.42
Cash and Cash Equivalents	33,896.84	15,135.23
Bank Balances other than Cash and Cash Equivalents	24,201.90	16,312.66
Loans	24,223.63	24,253.47
Other Financial Assets	5,456.61	5,859.85
Current Tax Assets (Net)	956.00	1,036.63
Other Current Assets	43,438.95	41,737.88
Total Current Assets	**181,505.36**	**155,403.98**
TOTAL ASSETS	**843,001.43**	**814,271.65**
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	5,992.91	5,992.91
Other Equity	305,271.74	283,123.84
Equity attributable to Owners of the Company	**311,264.65**	**289,116.75**
Non-Controlling Interests	20,315.83	19,726.30
Total Equity	**331,580.48**	**308,843.05**
Liabilities		
Non-Current Liabilities		
Financial Liabilities		
Borrowings	346,308.70	339,045.41
Lease Liabilities	22,287.23	23,776.99
Other Financial Liabilities	10,729.28	9,836.14
Provisions	790.61	663.31
Deferred Tax Liabilities	-	1,938.87
Other Non-Current Liabilities	28,460.98	28,889.42
Total Non-Current Liabilities	**408,576.80**	**404,150.14**
Current Liabilities		
Financial Liabilities		
Borrowings	59,722.83	55,536.41
Lease Liabilities	1,794.45	1,019.88
Trade Payables		
Total outstanding, dues of Micro and Small Enterprises	293.27	1,060.50
Total outstanding, dues of creditors other than Micro and Small Enterprises	24,211.41	25,086.83
Other Financial Liabilities	11,117.25	12,114.08
Other Current Liabilities	5,517.64	6,308.64
Provisions	187.30	152.11
Total Current Liabilities	**102,844.15**	**101,278.45**
TOTAL EQUITY AND LIABILITIES	**843,001.43**	**814,271.65**

H.P.V.S & Associates MUMBAI 137533W Chartered Accountants

JSW INFRASTRUCTURE LTD. JSW

JSW INFRASTRUCTURE LIMITED

Consolidated Cash Flow Statement for the six months ended 30th September, 2021

Particulars	For the half year ended 30th September, 2021	For the half year ended 30th September, 2020
[A] CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**21,272.23**	**16,726.38**
Adjustments for:		
Depreciation and Amortisation Expense	18,417.60	11,518.87
Finance Costs	16,021.03	8,972.41
Share Based Payment Expenses	1,535.28	646.19
Interest Income	(3,422.96)	(3,045.47)
(Gain)/ loss on sale of Property plant and Equipment (net)	(3.37)	(94.24)
Operating profit before working capital changes	**53,819.81**	**34,724.14**
Adjustments for:		
(Increase)/ Decrease in Trade Receivables	(125.42)	-
(Increase)/ Decrease in Other Receivables	(4,380.91)	8,436.98
(Increase)/ Decrease in Inventories	1,862.25	(1,512.44)
Increase/ (Decrease) in Trade Payables	(1,642.64)	-
Increase/ (Decrease) in other Payables	(5,549.63)	(6,255.06)
Increase/ (Decrease) in Provisions	1,875.67	(1,879.16)
Cash generated from Operating Activities	45,859.13	33,514.46
Direct taxes paid (net of refunds)	(1,655.17)	(1,554.36)
Net Cash generated from Operating Activities [A]	**44,203.96**	**31,960.10**
[B] CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of Property, Plant and Equipment and Intangible Assets	3.95	-
Sale of Current Investments	-	9,380.53
Sale / redemption of Non-current Investments	1,250.00	-
Interest Received	3,681.77	1,235.03
Purchase of property plant and equipment including CWIP, Capital advances and Capital Creditors and Intangible asset	(17,096.99)	(16,144.39)
Purchase of Non-current Investments	-	(3,314.23)
Investment in bank deposits not considered as Cash and Cash equivalent	(7,889.24)	(9,153.02)
Net Cash used in Investing Activities [B]	**(20,050.51)**	**(17,996.08)**
[C] CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Non-current Borrowings (refer note (c))	26,303.76	9,233.47
Proceeds from Current Borrowings (refer note (c))	-	1,041.63
Repayment of lease obligations (refer note (c))	(2,273.47)	-
Repayments of Non-current Borrowings (refer note (c))	(14,708.67)	(2,831.91)
Repayments of Current Borrowings (refer note (c))	(1,006.88)	(2,406.78)
Bought back of ESOP options	(81.50)	-
Interest Paid	(13,625.08)	(11,620.35)
Net Cash generated from Financing Activities [C]	**(5,391.84)**	**(6,583.94)**
NET INCREASE / (DECREASE) IN CASH AND BANK EQUIVALENT (A+B+C)	**18,761.61**	**7,380.08**
Cash and Cash Equivalents at beginning of the year	**15,135.23**	**15,710.13**
Cash and Cash Equivalents at end of the year	**33,896.84**	**23,090.21**

HPVS & Associates
Chartered Accountants

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Fort, Mumbai 400001
State: Maharashtra
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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF CONSOLIDATED INTERIM FINANCIAL RESULTS

To,
THE BOARD OF DIRECTORS
JSW INFRASTRUCTURE LIMITED

1. We have reviewed the accompanying **Statement of Unaudited Consolidated Financial Results** of JSW INFRASTRUCTURE LIMITED (the 'Holding Company'), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and six months ended September 30, 2021 ("the Statement") being submitted by the Holding Company pursuant to the requirements of Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Regulations').

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013 (the 'Act'), as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ('SRE') 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. The Statement includes the results of the following subsidiaries:
   a. JSW Jaigarh Port Limited
   b. South West Port Limited
   c. JSW Shipyard Private Limited
   d. JSW Nandgaon Port Private Limited
   e. JSW Dharamtar Port Private Limited
   f. JSW Manglore Container Terminal Private Limited
   g. Masad Marine Services Private Limited
   h. Jaigarh Digni Rail Limited
   i. JSW Salav Port Private Limited
   j. JSW Paradip Terminal Private Limited
   k. Paradip East Quay Coal Terminal Private Limited
   l. Ennore Bulk Terminal Private Limited
   m. Mangalore Coal Terminal Private Limited
   n. Ennore Coal Terminal Private Limited
   o. Southern Bulk Terminal Private Limited
   p. JSW Terminal Middle East FZE

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under section 133 of the Act, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The accompanying Statement includes interim financial results of the 11 subsidiaries, whose interim financial results include total assets of Rs. 3,28,039.71 lakhs as at September 30, 2021 and total revenues of Rs. 16,291.29 lakhs and Rs. 37,214.82 lakhs, total net profit after tax of Rs. 442.23 lakhs and Rs. 578.94 lakhs, total comprehensive profit of Rs. 474.01 lakhs and Rs. 610.72 lakhs, for the quarter ended September 30, 2021 and the period ended on that date respectively and net cash outflows of Rs. 6158.61 lakhs for the period from April 1, 2021 to September 30, 2021. These interim financial results of the subsidiaries have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

7. The consolidated financial results include a subsidiary incorporated outside India. Its unaudited standalone financial statements are provided by the Management by translating to the Indian Accounting Standards prescribed under section 133 of the Act. The consolidated financial results reflect total assets of Rs. 2,706.21 lakhs as at September 30, 2021, total revenues of Rs. 313.06 lakhs and Rs 746.38 lakhs for the quarter ended September 30, 2021 and the period ended on that date respectively. We have relied on the financial results provided to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based on the Management certified financial statements.

   Our conclusion on the Statement is not modified in respect of the above matter.

8. Attention is drawn to Note 1 of the Statement which states that the statement of cash flows for the corresponding six months ended September 30, 2020, as reported in the accompanying Statement have been approved by the Company's Board of Directors, but have not been subjected to review.

For H P V S & Associates
Chartered Accountants
Firm Registration No – 137533W

H P V S & Associates
MUMBAI
137533W
vd
Chartered Accountants

Vaibhav L Dattani
Partner
M. No.: 144084
Unique Document Identification Number (UDIN) for this document is 21144084AAAADT6817
Place: Mumbai
Date: October 27, 2021

Independent Auditors' Report

To the Members of
JSW Infrastructure Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **JSW Infrastructure Limited** ("the Holding Company"), and its subsidiaries (the Holding company and its subsidiaries together referred to as "the Group"), comprising of consolidated Balance sheet as at March 31, 2021, the consolidated Statement of Profit and Loss including other comprehensive income, consolidated Statement of Cash Flows and consolidated Statement of Changes in Equity and for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements / financial information of the subsidiaries referred to in sub – paragraph (a) of the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021 and their consolidated profit including other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the Key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind financial statements.

The Key Audit Matter	Auditor's Response
Business Combination (as described in note ¬57.1 of the consolidated financial statements)	
As described in Note 57.1 to the financial statements, during the current year, the Group completed a business combination in this year.	Our audit procedures on accounting for business combinations include the following:
Ind AS 103 – Business Combinations, requires that consideration be given to the existence and measurement of separable identifiable intangible assets that have been acquired as part of each business combination. A significant proportion of the purchase price has been attributed to identified intangible assets and goodwill, the valuation of which is dependent on cash flow forecasts including future business growth and the application of an appropriate discount rate, which are inherently subjective and therefore an area of focus for audit.	a. Evaluated the design and implementation of the processes and internal controls relating to accounting for the business combination. b. Obtained the valuation report from third party valuer supporting the valuation of the intangible assets identified and assessed if these are reasonable. c. We evaluated the reasonableness of methodology and key assumptions used by management to value each intangible asset;

The Key Audit Matter	Auditor's Response
Our key audit matter focuses on the valuation of assets acquired (including intangibles) and the completeness of liabilities associated with the Group acquisition.	d. Re-computed the deferred tax liabilities arising on the acquired intangible assets and verified if the appropriate tax rates have been considered; and
Business combinations is a key audit matter in the audit due to the high level of management judgement used in determining the fair value for the net assets acquired.	e. Evaluated the appropriateness of the disclosures in the financial statements and assessed the completeness and mathematical accuracy of the relevant disclosures.

The Key Audit Matter	Auditor's Response
Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ('SEBI (LODR) 2015' as described in note 41 of the consolidated financial statements)	
We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the consolidated financial statements as a key audit matter due to:	Our procedures in relation to the disclosure of related party transactions included:
- the significance of transactions with related parties during the year ended March 31, 2021.	a. Obtaining an understanding of the Group's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the consolidated financial statements.
- Related party transactions are subject to the compliance requirement under the Act and SEBI (LODR) 2015.	b. Obtaining an understanding of the Group's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors.
	c. Read minutes of shareholder meetings, board meetings and audit committee minutes regarding Group's assessment of related party transactions being in the ordinary course of business at arm's length.
	d. Tested, on a sample basis, related party transactions with the underlying contracts/agreements, confirmation letters and other supporting documents, as part of our evaluation of the disclosure.
	e. Assessing management evaluation of compliance with the provisions of Section 177 and Section 188 of the Act.
	f. Evaluating the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.

The Key Audit Matter	Auditor's Response
Recoverability of Minimum Alternate Tax ('MAT') Credit after the tax holiday period (as described in note 12 of the consolidated financial statements)	
The Group has accumulated MAT credit entitlement of ₹ 29,946.90 lakhs as at March 31, 2021. The Group is under tax holiday period and the utilization of MAT credit depends on the ability of the Group to earn adequate profits.	Our procedures included the following:
In order to assess the utilization of MAT credit, the Group has prepared revenue and profit projections which involves judgements and estimations.	a. We have assessed the eligibility of MAT credit recognized and the judgments applied to determine the forecasted taxable income to support the recognition of MAT credit entitlement.
The projections are based on management's input of key variables and market conditions. The forecasted profit has been determined using estimations of projected income and expenses of the Group.	b. We have tested the inputs and assumptions used in preparation of forecasted taxable income against historical levels of taxable profits.
	c. We compared the forecast of future taxable income to business plan and previous forecasts to the actual results and analyzed results for material differences, if any.
We have identified this as a key audit matter, due to the judgement and estimation involved in the preparation of the forecasted profits for the utilization of MAT credit.	d. We evaluated the arithmetical accuracy of the model used to compute the recoverability of deferred tax asset.
	e. We have assessed the related disclosures in note 12 to the consolidated financial statements.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. The consolidated financial statements/ financial information include the audited financial statement / financial information of 12 subsidiaries, whose financial statements / financial information reflect total assets of ₹ 3,06,591.53 lakhs as at March 31, 2021, total revenues of ₹41,186.76 lakhs, total net profit after tax of (₹ 5816.08) lakhs and total comprehensive profit of ₹(₹ 5813.30) lakhs for the year ended on that date respectively and net cash inflows amounting to ₹ 5398.62 lakhs for the year ended on that date as considered in the consolidated financial statements whose financial statements / financial information have been audited by their respective independent auditors. The independent auditor's reports on the financial statements / financial information have been have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

b. The consolidated financial statements include a subsidiary incorporated outside India. Its unaudited standalone financial statements are provided by the Management by translating to the Indian Accounting Standards prescribed under section 133 of the Act. The consolidated financial statements reflect total assets of ₹ 2535.28 lakhs as at March 31, 2021 and total revenues of ₹ 1506.47 lakhs for the period ended on that date. We have relied on the standalone financial

statements provided to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based on the Management certified standalone financial statements.

Our opinion on the above consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section (3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   a. We / the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of other auditors.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and reports of the other statutory auditors who are appointed under section 139 of the Act, of its subsidiary companies, none of the directors of the Group companies is disqualified as on March 31, 2021 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.

   f. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure A" to this report.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended:

In our opinion and based on the consideration of report of other statutory auditor of the subsidiary companies incorporated in India, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company and its subsidiary companies incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule (V) to the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 40 to the consolidated financial statements.

ii. The Group did not have any long-term contracts including derivative contracts as at March 31, 2021 for which there were any material foreseeable losses; and.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India.

For HPVS & Associates
Chartered Accountants
Firm's Registration No: 137533W

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 21144084AAAABM4537

Place: Mumbai
Date: 15th May, 2021

Annexure A

To The Independent Auditors' Report

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section (3) of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of **JSW Infrastructure Limited** as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of JSW Infrastructure Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its Subsidiary Company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements

A Company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements

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

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to the one Subsidiary Company, which is a company incorporated in India, is based on the corresponding report of the auditor of such subsidiary incorporated in India.

For HPVS & Associates
Chartered Accountants
Firm's Registration No: 137533W

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 21144084AAAABM4537

Place: Mumbai
Date: 15th May, 2021

Consolidated Balance Sheet

As at 31st March 2021

₹ in Lakhs

Particulars	Notes	As at 31st March 2021	As at 31st March 2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	333,229.49	341,132.31
Capital Work-in-Progress	4	112,386.33	75,027.98
Goodwill	5	3,624.40	-
Right-of-Use Assets	6	48,397.37	23,207.76
Intangible Assets	7	107,147.10	30,459.07
Intangible Assets Under Development	8	118.55	129.53
Financial Assets			
Investments	9	29,550.84	30,900.00
Loans	10	4,633.71	1,982.58
Other Financial Assets	11	3,237.29	1,359.45
Deferred Tax Assets	12	9,583.67	11,298.95
Other Non-Current Assets	13	6,958.92	9,169.35
Total non-current assets		**658,867.67**	**524,666.98**
Current assets			
Inventories	14	9,914.84	12,515.34
Financial Assets			
Investments	15	-	6,744.03
Trade Receivables	16	41,153.42	50,218.75
Cash and Cash Equivalents	17	15,135.23	15,710.13
Bank Balances other than Cash and Cash Equivalents	18	16,312.66	550.61
Loans	19	24,253.47	27,089.11
Other Financial Assets	20	5,859.85	4,687.01
Current Tax Assets (Net)	12	1,036.63	288.78
Other Current Assets	21	41,737.88	32,220.99
Total current assets		**155,403.98**	**150,024.75**
Total assets		**814,271.65**	**674,691.73**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	22	5,992.92	5,992.92
Other Equity	23	283,123.84	248,828.69
Equity attributable to Owners of the Company		**289,116.76**	**254,821.61**
Non-Controlling Interests	23	19,726.30	20,310.04
Total Equity		**308,843.06**	**275,131.65**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	24	339,045.41	261,120.69
Other Financial Liabilities	25	33,613.13	18,400.82
Provisions	26	663.31	482.29
Deferred Tax Liabilities	12	1,938.87	1,124.44
Other Non-Current Liabilities	27	28,889.42	29,606.56
Total non-current Liabilities		**404,150.14**	**310,734.80**
Current Liabilities			
Financial Liabilities			
Borrowings	28	9,027.63	10,550.90
Trade Payables			
Total outstanding, dues of Micro and Small Enterprises	29	1,060.50	51.02
Total outstanding, dues of creditors other than Micro and Small Enterprises	29	25,086.83	20,411.45
Other Financial Liabilities	30	59,642.74	55,658.86
Other Current Liabilities	31	6,308.64	2,087.93
Provisions	32	152.11	65.12
Total current Liabilities		**101,278.45**	**88,825.28**
Total equity and Liabilities		**814,271.65**	**674,691.73**

The accompanying notes form an integral part of consolidated financial statements

As per our attached report of even date
For HPVS & Associates
Chartered Accountants
Firm's Registration No: 137533W

For and on behalf of Board of Directors

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 21144084AAAABM4537

Place: Mumbai
Date: 15th May, 2021

N K Jain
Chairman
DIN: 00019442

Arun Maheshwari
JMD & CEO
DIN: 01380000

Lalit Singhvi
Director & CFO
DIN: 05335938

Gazal Qureshi
Company Secretary
M No. A16843

Consolidated Statement of Profit and Loss

For the year ended 31st March 2021

₹ in Lakhs (except EPS)

Particulars	Notes	For the year ended 31st March 2021	For the year ended 31st March 2020
Income			
Revenue from Operations	33	160,357.05	114,314.53
Other Income	34	7,469.25	9,422.07
Total Income (1)		**167,826.30**	**123,736.60**
Expenses:			
Operating Expenses	35	57,460.29	34,544.03
Employee Benefits Expense	36	11,134.97	7,466.58
Finance Costs	37	22,785.75	27,745.83
Depreciation and Amortisation Expense	38	27,065.53	20,185.73
Other Expenses	39	10,117.91	10,384.30
Total Expenses (2)		**128,564.45**	**100,326.47**
Profit Before Tax (1-2)		39,261.85	23,410.13
Tax expense			
Current Tax	12	2,375.53	3,080.63
Deferred Tax	12	8,424.01	676.53
Profit for the year (3)		**28,462.31**	**19,652.97**
Other Comprehensive Income			
(A) (i) Items that will not be reclassified to Profit and Loss			
Remeasurements of defined benefit plans		15.72	(34.90)
(ii) Income tax relating to items that will not be reclassified to Profit and Loss		(4.34)	10.37
Total (i)		**11.38**	**(24.53)**
(B) (i) Items that will be reclassified to Profit and Loss			
Changes in Foreign Currency Monetary Item Translation Difference Account (FCMITDA)		(55.13)	279.88
(ii) Income tax relating to items that will be reclassified to Profit and Loss		19.26	(97.80)
Total (ii)		**(35.87)**	**182.08**
Total Other Comprehensive Income/(loss) for the year (4) (i+ii)		**(24.49)**	**157.55**
Total Comprehensive Income for the year (3+4)		**28,437.82**	**19,810.52**
Profit for the year attributable to:			
-Owners of the Company		29,138.32	19,042.41
-Non-Controlling Interest		(676.01)	610.56
Other Comprehensive Income for the year attributable to:			
-Owners of the Company		(26.76)	163.41
-Non-Controlling Interest		2.27	(5.86)
Total Comprehensive Income for the year attributable to:			
-Owners of the Company		29,111.57	19,205.81
-Non-Controlling Interest		(673.75)	604.71
Earnings per Equity Share			
(Face value of equity share of ₹ 10 each)			
Basic (in ₹)	52	48.62	31.77
Diluted (in ₹)		48.47	31.70

The accompanying notes form an integral part of consolidated financial statements

As per our attached report of even date
For HPVS & Associates
Chartered Accountants
Firm's Registration No: 137533W

For and on behalf of Board of Directors

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 21144084AAAABM4537

Place: Mumbai
Date: 15th May, 2021

N K Jain
Chairman
DIN: 00019442

Arun Maheshwari
JMD & CEO
DIN: 01380000

Lalit Singhvi
Director & CFO
DIN: 05335938

Gazal Qureshi
Company Secretary
M No. A16843

Consolidated Statement of Changes in Equity

For the year ended 31st March 2021

A) Equity Share Capital

₹ in Lakhs

Balance as at 1st April, 2020	Movement during the year	Balance as at 31st March, 2021
5,992.92	-	5,992.92

₹ in Lakhs

Balance as at 1st April, 2019	Movement during the year	Balance as at 31st March, 2020
6,017.98	(25.06)	5,992.92

B) Other Equity

₹ in Lakhs

Particulars	Retained Earnings	Securities Premium Reserve	Debenture Redemption Reserve	Share based Payment Reserve	Capital Reserve	FCMITDA	Total equity attributable to equity holders of the Company	Non-Controlling Interests	Total
Balance as at 1st April, 2020	193,581.61	32,172.87	12,200.00	4,699.86	5,998.67	175.68	248,828.69	20,310.04	269,138.74
Profit for the year	29,138.32	-		-	-	-	29,138.32	(676.01)	28,462.31
Transferred to/from Debenture Redemption Reserve	12,200.00	-	(12,200.00)	-	-	-	-	-	-
Impact of business combination (Refer Note No 57)	1.77						1.77	90.00	91.77
Recognition of Shared Based Payments	-	-	-	5,181.80	-		5,181.80	-	5,181.80
Changes in Foreign currency monetary item translation						(35.87)	(35.87)	-	(35.87)
Remeasurements Gain on Defined Benefit Plans (Net of Tax)	9.12	-	-	-	-		9.12	2.27	11.39
Balance as at 31st March, 2021	**234,930.82**	**32,172.87**	**-**	**9,881.66**	**5,998.67**	**139.81**	**283,123.84**	**19,726.30**	**302,850.14**

₹ in Lakhs

Particulars	Retained Earnings	Securities Premium Reserve	Debenture Redemption Reserve	Share based Payment Reserve	Capital Reserve	FCMITDA	Total equity attributable to equity holders of the Company	Non-Controlling Interests	Total
Balance as at 1st April, 2019	190,249.90	83,735.47	-	2,770.87	5,998.67	(6.40)	282,748.51	19,705.34	302,453.85
Profit for the year	19,042.41	-	-	-	-	-	19,042.41	610.56	19,652.97
Transferred to/from Debenture Redemption Reserve	(12,200.00)	-	12,200.00	-	-	-	-	-	-
Share issue expenses of subsidiaries	(308.76)						(308.76)	-	(308.76)
Impact of business combination	(3,183.26)	(51,562.60)	-	-	-	-	(54,745.86)	-	(54,745.86)
Recognition of Shared Based Payments	-	-	-	1,928.99	-		1,928.99	-	1,928.99
Changes in Foreign currency monetary item translation						182.08	182.08	-	182.08
Remeasurements loss on Defined Benefit Plans (Net of Tax)	(18.68)	-	-	-	-	-	(18.68)	(5.86)	(24.53)
Balance as at 31st March, 2020	**193,581.61**	**32,172.87**	**12,200.00**	**4,699.86**	**5,998.67**	**175.68**	**248,828.70**	**20,310.04**	**269,138.74**

As per our attached report of even date
For HPVS & Associates
Chartered Accountants
Firm's Registration No: 137533W

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 21144084AAAABM4537

Place: Mumbai
Date: 15th May, 2021

For and on behalf of Board of Directors

N K Jain
Chairman
DIN: 00019442

Lalit Singhvi
Director & CFO
DIN: 05335938

Arun Maheshwari
JMD & CEO
DIN: 01380000

Gazal Qureshi
Company Secretary
M No. A16843

Consolidated Statement of Cash Flows

For the year ended 31st March 2021

₹ in Lakhs

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
[A] Cash Flows from Operating Activities		
Profit before Tax	**39,261.86**	**23,410.13**
Adjustments for:		
Depreciation and Amortisation Expense	27,065.53	20,185.73
Finance Costs	22,785.75	27,745.83
Share Based Payment Expenses	5,080.49	1,866.54
Interest Income	(6,462.02)	(4,572.21)
Gain on sale of Financial instruments (Investments) (net)	(101.96)	(1,280.72)
(Gain)/ loss on sale of Property plant and Equipment (net)	(320.22)	(19.05)
Operating profit before working capital changes	**87,309.43**	**67,336.25**
Adjustments for:		
(Increase)/ Decrease in Trade Receivables	9,065.33	(11,168.97)
(Increase)/ Decrease in Other Receivables	(5,136.65)	(32,794.46)
(Increase)/ Decrease in Inventories	2,600.50	(4,930.06)
Increase/ (Decrease) in Trade Payables	5,684.86	(7,263.80)
Increase/ (Decrease) in other Payables	12,864.16	18,463.78
Increase/ (Decrease) in Provisions	(8,779.36)	(138.69)
Cash generated from Operating Activities	103,608.27	29,504.05
Direct taxes paid (net of refunds)	(2,524.54)	(3,633.62)
Net Cash generated from Operating Activities [A]	**101,083.73**	**25,870.43**
[B] Cash Flows from Investing Activities		
Sale of Property, Plant and Equipment and Intangible Assets	13,007.32	40.96
Sale of Current Investments	10,160.22	124,531.07
Sale of Non-current Investments	1,350.00	-
Proceeds from Fixed Deposits	-	4,596.10
Interest Received	3,141.33	5,920.63
Purchase of property plant and equipment including CWIP, Capital advances and Capital Creditors and Intangible asset	(172,261.21)	(65,923.63)
Purchase of Current Investments	(3,314.23)	(107,018.14)
Purchase of Non-current Investments	(0.83)	-
Investment in bank deposits not considered as Cash and Cash equivalent	(15,762.05)	-
Net Cash used in Investing Activities [B]	**(163,679.45)**	**(37,852.99)**
[C] Cash Flows from Financing Activities		
Gain on sale of a subsidiary	1.77	-
Proceeds from Non-current Borrowings (refer note (c))	131,285.07	144,407.11
Proceeds from Current Borrowings (refer note (c))	1,000.00	10,153.91
Repayment of lease obligations (refer note (c))	(2,246.71)	(1,455.04)
Repayments of Non-current Borrowings (refer note (c))	(43,173.38)	(108,922.37)
Repayments of Current Borrowings (refer note (c))	(2,351.76)	-
Interest Paid	(22,494.16)	(21,560.70)
Net Cash Generated from Financing Activities [C]	**62,020.82**	**22,622.91**
Net Increase/(Decrease) in Cash and Bank Equivalents [A+B+C]	**(574.89)**	**10,640.35**
Cash and Cash Equivalents at beginning of the year	**15,710.13**	**5,029.65**
Add: Cash and cash equivalents pursuant to business combinations	-	40.13
Cash and Cash Equivalents at end of the year	**15,135.23**	**15,710.13**

Consolidated Statement of Cash Flows (Contd.)

For the year ended 31st March 2021

Notes :

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

(b) Cash and Cash Equivalents comprises of

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Cash on Hand	10.30	10.86
Balances with Banks :		
Current Accounts	7,354.73	2,002.23
Deposits with Bank with Maturity less than 3 Months	7,770.20	13,697.04
Cash and Cash Equivalents in Cash Flow Statement	**15,135.23**	**15,710.13**

(c) Reconciliation Part of Cash Flows

₹ in Lakhs

Particulars	As at 31st March 2020	Cash Flows	Non-Cash Changes					As at 31st March 2021
			Acquisition	New Addition	Foreign exchange movement	Fair value changes	Others	
Borrowings other than finance lease obligation (including Current maturities of long-term borrowing included in other financial liabilities note 29)	299,706.54	90,176.58	-	-	(2,264.03)	(2,064.89)	-	385,554.20
Lease Obligations (including current maturities)	9,491.72	(2,260.54)	-	16,324.22	-	1,241.47	-	24,796.87
Current Borrowings	10,550.90	(1,351.76)	-	-	(171.51)	-	-	9,027.63
Total liabilities from Financing Activities	**319,749.17**	**86,564.27**	**-**	**16,324.22**	**(2,435.54)**	**(823.42)**	**-**	**419,378.70**

₹ in Lakhs

Particulars	As at 31st March, 2019	Cash Flows	Non-Cash Changes					As at 31st March, 2020
			Acquisition	New Addition	Foreign exchange movement	Fair value changes	Others	
Borrowings other than finance lease obligation (including Current maturities of long-term borrowing included in other financial liabilities note 29)	205,083.99	35,484.74	51,170.00	-	7,720.33	247.49	-	299,706.54
Lease Obligations (including current maturities)	-	(1,455.04)	-	10,679.37	-	267.39	-	9,491.72
Current Borrowings	-	10,153.91	-		396.99	-	-	10,550.90
Total liabilities from Financing Activities	**205,083.99**	**44,183.61**	**51,170.00**	**10,679.37**	**8,117.32**	**514.88**	**-**	**319,749.17**

As per our attached report of even date
For HPVS & Associates
Chartered Accountants
Firm's Registration No: 137533W

For and on behalf of Board of Directors

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 21144084AAAABM4537

Place: Mumbai
Date: 15th May, 2021

N K Jain
Chairman
DIN: 00019442

Arun Maheshwari
JMD & CEO
DIN: 01380000

Lalit Singhvi
Director & CFO
DIN: 05335938

Gazal Qureshi
Company Secretary
M No. A16843

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

1. Company Overview

The Consolidated financial statements comprise financial statements of JSW Infrastructure Limited ("the Company" or "the Parent") and its subsidiaries (Collectively "the group") for the period March 31, 2021. The Company is a public limited company, domiciled in India and incorporated in under the provision of Companies Act applicable in India. The registered office of the Company is located at JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai - 400 051.

The Parent and its subsidiaries (together referred to as a 'Group') are engaged in developing, operating and maintaining port infrastructure to support JSW Group in addition to catering to third party cargo handling requirement. Apart from this, the Group is also planning to undertake various logistic related activities like Shipping, Roads, Railways, Marine Infrastructures, etc.

The following entities are included in consolidation:

Name of the Company	Country of Incorporation	Shareholding either directly or through subsidiaries	Nature of Operations (commenced/ planned)
JSW Jaigarh Port Limited	India	100%	Port Services
South West Port Limited	India	74%	Port Services
JSW Shipyard Private Limited	India	100%	Ship building & repair
JSW Nandgaon Port Private Limited	India	100%	Port Services
JSW Dharamtar Port Private Limited	India	100%	Port Services
JSW Mangalore Container Terminal Private Limited	India	100%	Port Services
Masad Marine Services Private Limited	India	100%	Port Services
Jaigarh Digni Rail Limited	India	63%	Railway Network
JSW Salav Port Private Limited	India	100%	Port Services
JSW Paradip Terminal Private Limited	India	93.24%	Port Services
Paradip East Quay Coal Terminal Pvt. Ltd.	India	93.24%	Port Services
Ennore Coal Terminal Private Limited	India	100%	Port Services
Ennore Bulk Terminal Private Limited	India	90%	Port Services
Mangalore Coal Terminal Private Limited	India	100%	Port Services
Southern Bulk Terminals Private Limited	India	100%	Port Services
JSW Terminal Middle East FZE	United Arab Emirates	100%	Port Services

2. Significant Accounting Policies and Key Accounting Estimates and Judgements

2.1 Statement of compliance

The consolidated financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to consolidated financial statement.

Accordingly, the Group has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31 March 2021 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements' or 'Consolidated financial statements').

These consolidated financial statements are approved for issue by the Board of Directors on 15 May, 2021

2.2 Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year, as explained in the accounting policies below, and acquisition of subsidiaries where assets and liabilities are measured at fair values as at the date of acquisition in accordance with Ind AS 103.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based

payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The Consolidated Financial Statement is presented in INR and all values are rounded to the nearest lakhs except when otherwise stated.

Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

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

2.3 Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee
- is exposed to, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including;

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Company

gains control until the date when the Company ceases to control the subsidiary.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

2.4 Business Combinations:

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Acquisition-related costs are generally recognised in Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of bargain purchase, before recognizing gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognizes any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss. If the initial accounting for a business combination is incomplete by the end of the financial year, the provisional amounts for which the accounting is incomplete shall be disclosed in the consolidated financial statements and provisional amounts recognized at the acquisition date shall be retrospectively adjusted during the measurement period. During the measurement period, the group shall also recognize additional assets or liabilities if the new information is obtained about facts and circumstances that existed as of the acquisition date and if known, would have resulted in the recognition of those assets and liabilities as of that date. However, the measurement period shall not exceed the period of one year from the acquisition date.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonize accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised under equity.

2.5 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.6 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue from port operations services/ multi-model service including cargo handling and storage are recognized on proportionate completion method basis based on services completed till reporting date. Revenue on take-or-pay charges are recognised for the quantity that is difference between annual agreed tonnage and actual quantity of cargo handled.

Interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers.

Income from fixed price contract – Revenue from infrastructure development project/ services under fixed price contract. Where there is no uncertainty as to measurement or collectability of consideration is recognized based on milestones reached under the contract.

The amount recognised as revenue is exclusive of goods & services tax where applicable.

2.7 Other Income

Other income is comprised primarily of interest income, mutual fund income, dividend, exchange gain/ loss. All financial assets measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate exactly discounts the estimated cash payments or receipt over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of financial liability. When calculating the EIR, the group estimates the expected cash flow by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Mutual fund is recognized at fair value through Profit and Loss.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Income from Services Exports from India Scheme ('SEIS') incentives under Government's Foreign Trade Policy 2015-20 on the port services income is recognised based on effective rate of incentive under the scheme, provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to SEIS licenses are classified as ' Other Current Asset – Refer Note 21.

2.8 Leases

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

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The lease term of Group's RoU assets which comprises only Buildings varies from 3 to 30 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test. Refer to the accounting policies no. 1.17 for Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head "Other Financial Liabilities". Lease liabilities has been presented under the head "Other Financial Liabilities".

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below ₹ 50,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

Most of the contracts that contains extension terms are on mutual agreement between both the parties and hence the potential future rentals cannot be assessed. Certain contracts where the extension terms are unilateral are with unrelated parties and hence there is no certainty about the extension being exercised.

The weighted average incremental borrowing rate applied to the newly recognised lease liabilities pursuant to Ind AS 116

2.9 Foreign Currency Translation

The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The consolidated financial statements are presented in Indian National Rupee (INR), which is Group's functional and presentation currency.

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) assets and liabilities are translated at the closing rate at the date of that Balance Sheet

b) income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

c) all resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to the Statement of Profit and Loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.10 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.

The Group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on

qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

2.11 Government Grant

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Consolidated Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of profit and loss over the expected useful lives of the assets concerned.

2.12 Employee Benefits

Retirement benefit costs and termination benefits:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the year of a plan amendment or when the Group recognizes corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

2.13 Stock based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity- settled share-based transactions are set out in note 51.

The fair value determined at the grant date of the equity- settled share-based payments is expensed on a straight- line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Group revises its estimate of the number of equity

instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Group has created an Employee Benefit Trust for providing share-based payment to its employees. The Group uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Group from the market, for giving shares to employees. The Group treats Trust as its extension and shared held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from Equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

2.14 Taxes

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

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is recognised using the balance sheet approach on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred tax asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Group is eligible and claiming tax deduction available under section 80IA of Income Tax Act, 1961 for a period of 10 years out of eligible period of 15 years for some of its subsidiaries. Also Group is eligible and claiming tax deduction available under section 35AD of Income Tax Act.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in other comprehensive income or directly

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis

2.15 Property, Plant and Equipment

Property, plant and equipment are measured at acquisition cost less accumulated depreciation and accumulated impairment losses. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by Management. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method as prescribed under Part C of schedule II of the Companies Act, 2013 except for the assets mentioned below for which useful life estimated by the management. The Identified components of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets.

The Group has estimated the following useful lives to provide depreciation on its certain fixed assets based on assessment made by experts and management estimates.

Assets	Estimated useful lives
Building	5-28 Years
Plant and Machinery	2-18 Years
Ships	28 years
Office equipment	3-20 Years
Computer equipment	3-6 Years
Furniture and fixtures	5-15 Years
Vehicles	8-10 Years

Freehold land is not depreciated and Leasehold land is amortized over the period of lease.

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any 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 recognized in Statement of Profit and Loss.

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed-off are reported at the lower of the carrying value or the fair value less cost to sell.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Borrowing cost relating to acquisition / construction of Property, Plant and Equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use

The group has policy to expense out the assets which is acquired during the year and value of such assets is below ₹ 5000.

2.16 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The cost of intangible assets having finite lives, which are under development and before put to use, are disclosed as 'Intangible Assets under development.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Assets	Estimated useful lives
Computer Software	3 – 5 Years

Port concession rights arising from Service Concession/Sub-Concession

The Group recognizes port concession rights as "Intangible Assets" arising from a service concession arrangement, in which the grantor controls or regulates the services provided and the prices charged, and also controls any significant residual interest in the infrastructure such as property, plant and equipment, even if the infrastructure is existing infrastructure of the grantor or the infrastructure is constructed or purchased by the Group as part of the service concession arrangement. The Group acts as the operator in such arrangement. Such an intangible asset is recognized by the Group at cost which is fair value of the consideration received or receivable for the construction services delivered) and is capitalized when the project is complete in all respects and the Group receives the completion certificate from the authorities as specified in the concession agreement.

Port concession rights also include certain property, plant and equipment which are reclassified as intangible assets in accordance with Appendix A of Ind AS 11 'Service Concession Arrangement'.

These assets are amortized based on the lower of their useful lives or concession period.

Gains or losses arising from de-recognition of port concession rights are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the consolidated statement of profit or loss when the assets is de-recognized.

The estimated period of port concession arrangement ranges within a period of 25-30 years.

2.17 Impairment of Non-Financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease to the extent of revaluation reserve.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.18 Inventories

Consumables, construction materials and stores and spares are valued at lower of cost and net realizable value. Obsolete, defective, unserviceable and slow/non-moving stocks are duly provided for. Cost is determined by the weighted average cost method. Net Realizable Value in respect of stores and spares is the estimated current procurement price in the ordinary course of the business.

2.19 Fair Value Measurement

The Group measures financial instruments at fair value in accordance with accounting policies at each

reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group.

The fair value of asset or a liability is measured using the assumptions that market participants would use in pricing the asset or liability, assuming that market participant at in their economic best interest.

A fair value measurement of a non-financing asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

2.20 Financial instruments

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

a) Investments and other financial assets:

Classification

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

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

ii) those measured at amortized cost.

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

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

Initial recognition and measurement

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

Sub-sequent measurement

After initial recognition, financial assets are measured at:

i) fair value (either through other comprehensive income or through profit or loss) or,

ii) amortized cost

Debt instruments

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

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

loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

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

Gains or Losses on De-recognition

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

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

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

Gains or Losses on De-recognition

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

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

De-recognition

A financial asset is de-recognised only when

i) The Group has transferred the rights to receive cash flows from the financial asset or

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

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

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

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

Impairment

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

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

If the group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the group uses the change in the risk of a

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

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

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

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

Income recognition

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

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

b) Financial liabilities & Equity Instruments

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

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial liabilities
Classification as debt or equity Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Subsequent measurement Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

De-recognition
A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting financial instruments
Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

2.21 Provisions, Contingent liabilities, Contingent assets and Commitments

A provision is recognised when the Group has a present obligation (legal or constructive), as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events, when the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Onerous Contracts - Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

2.22 Cash and Cash Equivalents

Cash and short-term deposits in the Balance Sheet comprise cash at banks, cheque on hand, short-term deposits with a maturity of three months or less

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

from the date of acquisition, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits.

2.23 Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.24 Earnings per Equity Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Group to satisfy the exercise of the share options by the employees.

2.25 Segment Reporting

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

The BOD of the Company has been identified as the Chief Operating decision maker which reviews and assesses the financial performance and makes strategic decisions. Considering the inter relationship of various activities of the business, the chief operational decision maker monitors the operating results of its business segment on overall basis. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

2.26 Recent Accounting Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Current maturity of long term debt to be shown under Short term borrowing as a separate line item.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for aging schedule of trade receivables, trade payables, capital work- in-progress and intangible assets under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- Disclosure of some ratios (Current ratio, Debt-Equity ratio, ROCE, ROE etc.)

Statement of profit and loss:

- Additional disclosures relating to Corporate Social responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of standalone financial statements.

The amendments are extensive and the company will evaluate the same to give effect to them as required by law.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

2.27 New and amended standards adopted by the Group

There is no new standard notified by Ministry of Corporate Affairs ("MCA").

2.28 Key sources of Estimation Uncertainty and Critical accounting judgements

The preparation of the Group's consolidated financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future period.

Key Sources of Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful lives and the expected residual value at the end of its lives. The useful lives and residual values of Group's assets are determined by Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Taxes

The group has two tax jurisdiction i.e. at India and UAE, though the Group also files tax return in other overseas jurisdiction. Significant judgements are involved in determining the provision for income taxes.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a specified period in which MAT credit arises, subject to the limits prescribed.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

Impairment of financial assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. The cases which have been determined as remote by the Group are not disclosed.

Contingent assets are neither recognized nor disclosed in the consolidated financial statements unless when an inflow of economic benefits is probable.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 3:- Property, Plant and Equipment

₹ in Lakhs

Particulars	Freehold land	Leasehold land	Buildings	Plant and machinery	Ships	Furniture and fittings	Office equipments	Computers	Vehicles	Total
Cost:										
As at 01-04-2019	**20,565.16**	**13,419.22**	**164,322.35**	**118,114.24**	**8,731.41**	**609.31**	**471.39**	**106.99**	**502.07**	**326,842.14**
Additions/ adjustments	926.85	-	17,864.06	49,541.50	9,975.80	69.18	85.82	18.53	19.48	78,501.22
Disposals/ adjustments	-	13,419.22	-	309.21	-	7.58	(56.13)	-	1.09	13,680.96
As at 31-03-2020	**21,492.01**	**-**	**182,186.41**	**167,346.53**	**18,707.21**	670.91	613.34	125.52		391,662.40
Additions/ adjustments	2,765.81	-	4,550.48	14,779.97	-	13.84	139.64	35.82	0.34	22,285.90
Acquired pursuant to business combination (refer note 57)	-	-	-	84.37	-	15.98	20.89	10.06	7.23	138.53
Disposals/ adjustments	28.98	-	-	14,672.69	-	6.20	0.95	0.56	32.00	14,741.38
As at 31-03-2021	**24,228.85**	**-**	**186,736.89**	**167,538.18**	**18,707.21**	**694.53**	**772.92**	**170.84**	**496.03**	**399,345.45**
Accumulated Depreciation & Impairement:										
As at 01-04-2019	**-**	**44.01**	**17,843.81**	**16,008.41**	**464.33**	**262.32**	**198.39**	**68.64**	**148.94**	**35,038.85**
Depreciation charge for the year	-		7,675.58	7,428.86	388.27	77.16	85.49	16.72	70.16	15,742.24
Disposals/ adjustments	-	44.01	0.22	175.42	-	7.28	23.47	-	0.60	251.01
As at 31-03-2020	**-**	**-**	**25,519.17**	**23,261.85**	**852.60**	**332.20**	**260.41**	**85.36**	**218.50**	**50,530.09**
Depreciation charge for the year	-	-	8,208.53	9,374.63	712.47	73.60	105.07	21.35	69.85	18,565.50
Disposals/ adjustments	-	-	-	2,965.68	-	4.01	0.95	0.54	8.46	2,979.63
As at 31-03-2021	**-**	**-**	**33,727.71**	**29,670.80**	**1,565.07**	**401.79**	**364.53**	**106.17**	**279.88**	**66,115.96**
Net book value										
As at 31-03-2020	**21,492.01**	**0.00**	**156,667.24**	**144,084.68**	**17,854.61**	**338.71**	**352.94**	**40.16**	**301.96**	**341,132.31**
As at 31-03-2021	**24,228.85**	**-**	**153,009.18**	**137,867.37**	**17,142.14**	**292.73**	**408.39**	**64.67**	**216.15**	**333,229.49**

Notes:

1) Refer note no. 24 for the details in respect of certain Property, Plant & Equipmets hypothecated / mortgaged as security for Borrowings.
2) Foreign exchange loss capitalised during the year was Nil (PY ₹ 19.82).
3) Borrowing cost capitalised during the year was ₹ 209.30 Lakhs (PY ₹ 3,207.66 Lakhs).
4) Port infrastructure assets of JSW Jaigarh Port Limited & JSW Paradip Terminal Private Limited are constructed on leasehold assets.
5) The title deeds of freehold land includes an amount aggregating to ₹ 1,232.16 lakhs in respect of transferror company pursuant to the scheme of merger is pending for transfer in the name of the holding Company.
6) JSW Paradip Terminal Private Limited had commenced commercial operations on 1st November 2019 and capitalized Property, Plant and Equipment (PPE) amounting to ₹ 63,869.90 lakhs.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 4:- Capital Work-in-Progress

Particulars	₹ in Lakhs
Balance as at 1st April 2019	**85,941.67**
Additions	4,098.66
Disposals/transfers	15,012.35
Balance as at 31st March 2020	**75,027.98**
Additions	53,782.73
Disposals/transfers	16,424.38
Balance as at 31st March 2021	**112,386.33**

Notes:

1) Foreign exchange loss capitalised during the year was Nil (PY ₹ 12.62).
2) Borrowing cost capitalised during the year was ₹ 5,668.16 Lakhs (PY ₹ 3,312.00 Lakhs).

Note 5:- Goodwill

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Cost:		
Balance at the beginning of the year	-	-
Additions	-	-
Acquired pursuant to business combination (refer note 57)	3,624.40	-
Balance at the end of the year (a)	**3,624.40**	**-**
Accumulated amortisation and impairment		
Balance at the beginning of the year	-	-
Impairment	-	-
Balance at the end of the year (b)	**-**	**-**
Net book value (a-b)	**3,624.40**	**-**

Impairement of Goodwill

For the purpose of impairement testing, goodwill has been allocated to group's Cash Generating Units (CGUs) as follows:

₹ in Lakhs

CGU	As at 31st March 2021	As at 31st March 2020
Ennore Coal Terminal Private Limited (ECTPL)	733.87	-
Ennore Bulk Terminal Private Limited (EBTPL)	1,143.23	-
Mangalore Coal Terminal Private Limited (MCTPL)	1,747.30	-
Total	**3,624.40**	**-**

Goodwill is tested for an impairement on an annual basis. The recoverable amount of a CGU is the higher of its fair value less cost of disposal and its value-in-use. The recoverable amount of above CGUs are determined based on a value in use calculation which uses cash flow projections based on financial projections covering the concession period of respective ports, and a pre-tax discount rate of 12.50% per annum in case on ECTPL & EBTPL and 13.75% in case of MCTPL. The discount rate commensurate with the risk specific to the projected cash flow and reflects the rate of return required by an investor.

Cash flow projections during the projection period are based on estimated cargo quantities and existing rates of cargo haldling. Recoverable amount of all CGUs exceeded their carrying amount, hence no impairement losses were recognised.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 6:- Right-Of-Use Assets

₹ in Lakhs

Particulars	Leasehold land	Buildings	Total
Cost:			
As at 1st April, 2019		-	-
Recognition on Initial application of Ind-As 116 as at April 01, 2019	13,419.22	10,679.37	24,098.58
Additions/adjustments		-	-
Disposals/transfers		-	-
Balance as at 31st March 2020	**13,419.22**	**10,679.37**	**24,098.58**
Additions/adjustments	-	12,734.62	12,734.62
Acquired pursuant to business combination (refer note 57)	11,939.59	3,459.85	15,399.44
Disposals/transfers		-	-
Balance as at 31st Mar 2021	**25,358.81**	**26,873.83**	**52,232.64**
Accumulated Depreciation & Impairement:			
As at 1st April, 2019	-	-	-
Reclassified on the account of adoption of Ind AS 116	44.01	-	44.01
Depreciation charge for the year	28.57	818.24	846.81
Disposals/transfers		-	-
Balance as at 31st March 2020	**72.58**	**818.24**	**890.83**
Depreciation charge for the year	211.72	1,832.09	2,043.80
Disposals/transfers	-	-900.65	-900.65
Balance as at 31st Mar 2021	**284.30**	**3,550.98**	**3,835.28**
Net book value			
Balance as at 31st March 2020	**13,346.63**	**9,861.13**	**23,207.76**
Balance as at 31st Mar 2021	**25,074.51**	**23,322.86**	**48,397.37**

Note 1 - The Company had total cash outflows for leases of ₹ 2,246.70 Lakhs in March 31, 2021 (₹ 1,455.04 Lakhs in March 31, 2020). There are no non cash additions to right-of-use assets and lease liabilities. There are no future cash outflows relating to leases that have not yet commenced.

Note 2 - Following are the amounts recognised in Statement of Profit or Loss:

₹ in Lakhs

Particulars	Present value of payments
Depreciation expense of Right-of-Use Assets	846.81
Interest expense on Lease Obligation	1,241.47
Rent expense - short-term leases and leases of low value assets	186.68
Total amounts recognised in Profit or Loss	**2,274.96**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 7:- Other Intangible Assets

₹ in Lakhs

Particulars	Port Infrastructure rights	Computer Software	Total
Cost:			
As at 01-04-2019	**46,473.92**	**443.71**	**46,917.63**
Additions	276.99	2.75	279.74
Disposals /adjustments	228.80	(34.59)	194.21
As at 31-03-2020	**46,522.11**	**481.05**	**47,003.16**
Additions	31,925.46	44.37	31,969.83
Acquired pursuant to business combination (refer note 57)	51,438.40	-	51,438.40
Disposals /adjustments	114.93	-	114.93
As at 31-03-2021	**129,771.05**	**525.42**	**130,296.46**
Accumulated amortisation & impairement:			
As at 01-04-2019	**12,759.04**	**312.96**	**13,072.00**
Amortisation charge for the year	3,645.98	53.16	3,699.15
Disposals /adjustments	227.05	-	227.05
As at 31-03-2020	**16,177.97**	**366.12**	**16,544.10**
Amortisation charge for the year	6,645.20	50.29	6,695.49
Disposals /adjustments	91.87	(1.64)	90.23
As at 31-03-2021	**22,731.30**	**418.05**	**23,149.36**
Net book value:			
As at 31-03-2020	**30,344.14**	**114.93**	**30,459.07**
As at 31-03-2021	**107,039.74**	**107.37**	**107,147.10**

Refer note no. 24.1 & 40 for the details in respect of certain Intangible Assets hypothecated / mortgaged as security for borrowings.

NOTE 8:- Intangible Assets Under Development

Particulars	₹ in Lakhs
Balance as at 1st April 2019	**257.42**
Additions	349.86
Disposals/transfers	477.75
Balance as at 31st March 2020	**129.53**
Additions	433.76
Disposals/transfers	444.74
Balance as at 31st March 2021	**118.55**

Note 9:- Non-Current Financial Assets - Investments

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Unquoted Zero Coupon Optionally Convertible Debenture (OCD) (At Amortised Cost)*		
JSW Sports Private Limited	29,550.00	30,900.00
(29,550 Debentures (31st March, 2019: 30,900) of ₹ 1,00,000/- each)		
Investments in Equity Instruments (fully paid up)		
Unquoted (at amortised cost)		
TCP Limited		
100 (March 31, 2020: Nil) Equity Shares of ₹ 10 each fully paid-up	0.84	-
	29,550.84	**30,900.00**
Aggregate amount of unquoted Investment	29,550.84	30,900.00
Aggregate amount of impairment in the value of Investments	-	-

*Terms of Conversion: The OCD shall be redeemable at premium or shall be converted into equity shares on the basis of the following terms at the option of the issuer:

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

(a) Redemption:

On maturity the Issuer shall pay the OCD Holder the Face Value of ₹ 1,00,000/- along with Redemption Premium of ₹ 1,42,000/- for each OCD. Provided further that Issuer shall have the right to redeem the OCD any time during the Tenure, either in part or in full and in one or more tranches, by giving two days notice in writing, at face value along with accumulated premium computed @ 9.5% p.a. from the date of allotment till the date of redemption after adjusting the amount of TDS paid/payable for such number of OCD as it intends to redeem.

(b) Conversion:

Any time during the tenure of OCD, the Issuer may, by giving fifteen days prior notice, convert all or part of the outstanding OCD at face value along with accumulated premium computed @ 9.5% p.a. from the date of allotment till the date of conversion, after adjusting the amount of TDS paid/payable for such number of OCD as it intends to convert, into such number of equity shares as may be derived based on fair market value determined by an Independent Registered Valuer as per applicable regulations.

Note 10:- Non-Current Financial Assets - Loans

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good		
Loans to related party* (refer note 41)	4,633.71	1,982.58
Total	**4,633.71**	**1,982.58**
Note:		
Loans receivable considered good: Secured	-	-
Loans receivable considered good: Unsecured	4,633.71	1,982.58
Loans receivable which have significant increase in Credit Risk	-	-
Loans receivable - credit impaired	-	-
Loans and advances to other body corporate	-	-
Loans and advances to related parties	-	-
Total	**4,633.71**	**1,982.58**

*For business purpose

Note 11:- Non-Current Financial Assets-Others

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, Considered good		
Security Deposits*	964.14	632.32
Fixed Deposits	25.00	130.00
Interest Accrued on Margin Deposit	44.16	-
Margin Money**	2,203.99	597.13
	3,237.29	**1,359.45**

*Security depsits includes deposits given for land lease, Rent and services from vendors.

**Margin Money deposits with a carrying amount of ₹ 2,203.99 Lakhs (PY ₹ 597.13 Lakhs) are subject to charge for securing the Group's Bank Guarantee facility.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 12:- Taxation

Income tax related to items charged or credited directly to Profit or Loss during the year:

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Current Tax:		
Current Income Tax	6,356.34	5,471.17
Tax (credit) under Minimum Alternative Tax	(3,980.81)	(2,390.54)
Current Tax (a)	2,375.53	3,080.63
Deferred Tax:		
Relating to origination and reversal of temporary differences	8,424.01	676.53
Deferred Tax (b)	**8,424.01**	**676.53**
Total Expenses reported in the statement of Profit and Loss (a+b)	**10,799.53**	**3,757.16**

A reconciliation of income tax expense applicable to accounting Profit / (Loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Reconciliation:		
Profit before tax	39,261.86	23,410.13
Enacted tax rate in India	34.944%	34.944%
Expected income tax expense at statutory tax rate	13,719.66	8,180.44
Effect of different tax rates of subsidiaries	(2,555.00)	358.19
Expenses not deductible in determining taxable profits	10,058.42	5,869.35
Tax allowances and concession	(13,788.94)	(11,161.67)
Additional allowances for capital gain	1,473.93	503.72
Tax applicable at lower rate	-	388.99
80IA benefit	(6,532.55)	(1,058.39)
Temporary differences (Refer table below)*	8,424.01	676.53
Tax expense for the year	10,799.53	3,757.16
Effective income tax rate	**27.51%**	**16.05%**
Income tax attributable to discontinued operations	-	-
Total	**27.51%**	**16.05%**

Note 1 - The Group offsets deferred tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and relates to income taxes levied by the same tax authority.

Note 2 - The Group expects to utilise the MAT credit within a period of 15 years.

Note 3 - There are certain income-tax related legal proceedings which are pending against the Group. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 40).

The following table provides the details of income tax assets and income tax liabilities as of March 31, 2021 and March 31, 2020:

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Income Tax Assets	3,339.94	30,224.94
Income Tax Liabilities	2,303.31	29,936.16
Total	**1,036.63**	**288.78**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

*Deferred tax relates to the following:

₹ in Lakhs

Particulars	Balance Sheet		Recognised in statement of profit or loss		Recognised in/reclassified from Other Comprehensive Income	
	As at 31st March 2021	As at 31st March 2020	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Expenses allowable on payment basis	81.45	(3.68)	85.13	(36.40)	-	-
Unused tax losses / depreciation	19,803.71	2,416.07	14,860.59	497.40	-	-
Other items giving rise to temporary differences	(42,125.22)	(10,990.85)	(28,607.31)	(99.62)	-	-
Accelerated depreciation for tax purposes	-	(200.99)	200.99	(1,039.18)	-	-
Fair valuation of property, plant and equipment (PP&E)	-	(5,036.61)	5,036.61	1.27	-	-
Income tax relating to items that will not be reclassified to profit or loss from OCI	(62.04)	(76.96)	-	-	14.92	(87.43)
Deferred tax asset / (liability)	**(22,302.10)**	**(13,893.01)**	**(8,424.01)**	**(676.53)**	**14.92**	**(87.43)**
Net (income)/expense			**(8,424.01)**	**(676.53)**	**14.92**	**(87.43)**

Reconciliation of Deferred Tax Assets / (Liabilities) Net

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Balance at the beginning of the year	(13,893.01)	(15,656.11)
Tax income / (expense) during the period recognised in profit or loss	(8,424.01)	(676.53)
Income tax relating to items that will not be reclassified to profit or loss from OCI	14.92	(87.43)
Recognised in retained earnings	-	2,527.06
Balance at the end of the year	**(22,302.10)**	**(13,893.01)**

Movement in MAT Credit Entitlement

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Balance at the beginning of the year	24,067.52	21,957.94
Add: MAT credit entitlement availed during the year	6,429.73	2,390.56
Less: MAT credit utilised during the year	(550.35)	(280.98)
Balance at the end of the year	**29,946.90**	**24,067.52**

Note 13:- Non-Current Assets-Others

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, Considered good		
Capital Advances	5,204.15	8,906.66
Balance with government authorities	1,083.74	-
Others		
Security Deposits with Government Authorities	538.99	262.69
Prepayments	132.04	-
Total	**6,958.92**	**9,169.35**

*Security deposits includes deposits given for Petrol purchase, Gas connection, Electricity, Telephone, Water, Railway, BSE under listing requirements, Income tax and sales tax department.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 14:- Inventories

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Inventories (At cost)		
Stores and Spares	9,914.84	12,515.34
Total	**9,914.84**	**12,515.34**

Notes:

1. Cost of Inventory recognised as an expenses during the year ₹ 846.22 Lakhs. (PY ₹ 1,195.06 Lakhs)
2. The Group has recognised Nil (PY ₹ 57.54 Lakhs) as expenses towards write down of value of Inventory.
3. Refer note no. 24.1 for the details in respect of certain tangible assets hypothecated / mortgged as security for Borrowings.

Note 15:- Current Financial Assets-Investments

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Investments in mutual funds measured at Fair Value Through Profit and Loss (Quoted)	-	6,744.03
	-	6,744.03
Aggregate carrying value of Quoted Investments		
At Book Value	-	6,744.03
At Market Value	-	6,744.03

Note 16:- Trade Receivables

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Trade Receivables considered good - Secured		
Trade Receivables considered good - Unsecured	41,231.37	50,296.70
Trade Receivables which have significant increase in credit risk		
Less: Allowance for doubtful debts	(77.95)	(77.95)
Trade Receivable - credit impaired	-	-
Less: Allowance for doubtful debts	-	-
Total	**41,153.42**	**50,218.75**

Note 1 - Refer note no. 24.1 for the details in respect of certain trade receivables hypothecated / mortgged as security for Borrowings

Note 2 - Refer note no. 41 for details of receivables from related parties

Note 3 - No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

Note 4 - Trade Receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Note 5 - The Group does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right to offset against any amounts owed by the Group to the counterparty.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Ageing of Receivables that are past due

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Within the credit period	23,839.22	24,219.40
31-60 days	8,211.05	8,370.89
61-90 days	5,282.24	5,492.25
91-180 days	812.93	10,134.73
181-365 days	1,693.45	1,538.51
More than 365 Days	1,392.48	540.92
Total	**41,231.37**	**50,296.70**

The credit period on rendering of services ranges from 1 to 30 days with or without security.

Note 17:- Cash And Cash Equivalents

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Balances with Banks:		
In Current Accounts	7,354.73	2,002.23
In Term Deposits with maturity less than 3 months at inception	7,770.20	13,697.04
Cash on Hand	10.30	10.86
Total	**15,135.23**	**15,710.13**

Note 18:- Bank Balances Other than Cash and Cash Equivalents

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
In Term Deposits with maturity more than 3 months but less than 12 months at inception	11,338.47	209.38
DSRA(debt service reserve account)	4,963.81	318.35
In Current & TRA accounts with Yes bank	10.38	22.88
Total	**16,312.66**	**550.61**

Term deposit includes deposit held as lien by bank against bank guarantee amounting to ₹ 25 lakhs (PY ₹ 10 lakhs).

DSRA represents FD created for debt servicing.

Trust and Retention Account (TRA) is maintained as per TRA agreement between JSW Paradip Terminal Private Limited, Lenders and Paradip Port Trust.

Note 19:- Current Financial Assets - Loans

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, Considered good		
Loans and advances to Related Parties (Refer note 41)*	24,245.79	27,089.11
Others	7.68	-
Total	**24,253.47**	**27,089.11**
Note:		
Loans receivable considered good: Secured	-	-
Loans receivable considered good: Unsecured	24,253.47	27,089.11
Loans receivable which have significant increase in Credit Risk	-	-
Loans receivable - credit impaired	-	-
Loans and advances to other body corporate	-	-
Loans and advances to related parties	-	-
Total	**24,253.47**	**27,089.11**

*for business purpose

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 20:- Current Financial Assets - Others

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, Considered Good		
Security Deposits*	62.41	24.81
Advances recoverable in cash or in kind or for value to be received (Refer note 41)	559.46	456.09
Interest Receivables		
On Fixed Deposits	15.38	15.38
On Loans and Advances given to related parties (Refer note 41)	4,819.09	1,498.39
Receivable from Konkan Railway	-	2,325.90
Others	403.51	366.44
Total	**5,859.85**	**4,687.01**

* Security deposits represents various deposits given to rental, gas, telephone & other government deposits.

Note 21:- Other Current Assets

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, Considered good		
Advance to Suppliers	1,271.47	1,942.55
Other Advances*	908.78	1,960.43
Security Deposits**	2.30	2.30
Prepayments	1,336.31	610.98
Unbilled Revenue	6,735.80	1,543.13
Government grant incentive income receivable (refer note 34)	-	1,794.73
Balance with Government Authorities	25,805.58	23,272.38
Indirects Tax Balances/ Receivables/Credits	5,677.64	1,094.49
Total	**41,737.88**	**32,220.99**

*Other Advances includes advances to employees and other party.

**Security deposits represents refundable deposit for E tendering.

Note 22:- Share Capital

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number of Shares	₹ in Lakhs	Number of Shares	₹ in Lakhs
Authorised:				
Equity Shares of ₹ 10 each	1,033,285,150	103,328.52	71,000,000	7,100.00
Preference Shares of ₹ 10 each	80,000,000	8,000.00	80,000,000	8,000.00
	1,113,285,150	**111,328.52**	**151,000,000**	**15,100.00**
Issued, Subscribed and paid-up:				
Equity Shares of ₹ 10 each	60,709,992	6,071.00	60,709,992	6,071.00
Less: Treasury shares held under ESOP Trust (Refer note (a) below)	780,848	78.08	780,848	78.08
Total	**59,929,144**	**5,992.92**	**59,929,144**	**5,992.92**

Notes:

(a) Shares held under ESOP Trust

ESOP is the primary arrangement under which shared plan service incentive are provided to certain specified employees of the Company and it's subsidiaries in India. The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares.

For the details of shares reserved for issue under the Employee Stock Ownership Plan (ESOP) of the Group (refer note 50).

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Movement in Treasury Shares

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number of Shares	₹ in Lakhs	Number of Shares	₹ in Lakhs
Shares of ₹ 10/- each fully paid-up held under ESOP Trust				
Balance at the beginning of the year	780,848	78.08	530,214	53.02
Movement during the year	-	-	250,634	25.06
Balance at the end of the year	**780,848**	**78.08**	**780,848**	**78.08**

(b) Reconciliation of the number of the shares outstanding at the beginning and at the end of the year:

Issued, Subscribed and paid up share capital	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balance at the beginning of the year	59,929,144	5,992.92	60,179,778	6,017.98
Share cancelled pursuant to business combination	-	-	(59,928,860)	(5,992.89)
Share issued pursuant to business combination	-	-	59,928,860	5,992.89
Movement in treasury shares during the year (refer note (a) above)	-	-	(250,634)	(25.06)
Balance at the end of the year	**59,929,144**	**5,992.92**	**59,929,144**	**5,992.92**

(c) Rights, preferences and restrictions attached to equity shares:

The Company has one class of share capital, i.e., equity shares having face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Shares held by Holding Company and fellow subsidiaries

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Sajjan Jindal Family Trust along with its nominee shareholders	**56,504,513**	**5,650.45**	**56,504,513**	**5,650.45**

(e) Details shareholders holding more than 5 % shares in the Company:

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Sajjan Jindal Family Trust along with its nominee shareholders (held by Sajjan Jindal & Sangita Jindal as a Trustee)	**56,504,513**	**5,650.45**	**56,504,513**	**5,650.45**

(f) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

(g) There are not bonus shares issued during the period of five years immediately preceding the reporting date.

(h) There are no shares allotted as fully paid-up pursuant to contracts without payment being received in cash during the period of five years immediately preceding the date of the balance sheet.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

NOTE 23:- Other Equity

₹ in Lakhs

Particulars	Retained Earnings	Securities Premium Reserve	Debenture Redemption Reserve	Share based Payment Reserve	Capital Reserve	FCMITDA	Total equity attributable to equity holders of the Company	Non-Controlling Interests	Total
Balance as at 1st April, 2020	193,581.61	32,172.87	12,200.00	4,699.86	5,998.67	175.68	248,828.69	20,310.04	269,138.74
Profit for the year	29,138.32	-	-	-	-	-	29,138.32	(676.01)	28,462.31
Transferred to/from Debenture Redemption Reserve	12,200.00	-	(12,200.00)	-	-	-	-	-	-
Impact of business combination (Refer Note No 57)	1.77	-	-	-	-	-	1.77	90.00	91.77
Recognition of Shared Based Payments	-	-	-	5,181.80	-	-	5,181.80	-	5,181.80
Changes in Foreign currency monetary item translation	-	-	-	-	-	(35.87)	(35.87)	-	(35.87)
Remeasurements Gain on Defined Benefit Plans (Net of Tax)	9.12	-	-	-	-	-	9.12	2.27	11.39
Balance as at 31st March, 2021	**234,930.82**	**32,172.87**	**-**	**9,881.66**	**5,998.67**	**139.81**	**283,123.84**	**19,726.30**	**302,850.14**

₹ in Lakhs

Particulars	Retained Earnings	Securities Premium Reserve	Debenture Redemption Reserve	Share based Payment Reserve	Capital Reserve	FCMITDA	Total equity attributable to equity holders of the Company	Non-Controlling Interests	Total
Balance as at 1st April, 2019	190,249.90	83,735.47	-	2,770.87	5,998.67	(6.40)	282,748.52	19,705.34	302,453.85
Profit for the year	19,042.41	-	-	-	-	-	19,042.41	610.56	19,652.97
Transferred to/from Debenture Redemption Reserve	(12,200.00)	-	12,200.00	-	-	-	-	-	-
Share issue expenses of subsidiaries	(308.76)	-	-	-	-	-	(308.76)	-	(308.76)
Impact of business combination	(3,183.26)	(51,562.60)	-	-	-	-	(54,745.86)	-	(54,745.86)
Recognition of Shared Based Payments	-	-	-	1,928.99	-	-	1,928.99	-	1,928.99
Changes in Foreign currency monetary item translation	-	-	-	-	-	182.08	182.08	-	182.08
Remeasurements loss on Defined Benefit Plans (Net of Tax)	(18.68)	-	-	-	-	-	(18.68)	(5.86)	(24.53)
Balance as at 31st March, 2020	**193,581.61**	**32,172.87**	**12,200.00**	**4,699.86**	**5,998.67**	**175.68**	**248,828.70**	**20,310.04**	**269,138.74**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Nature and purpose of reserves:

(1) **Retained earnings**

Retained earnings are the profits that Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings are free reserves available to the Company.

(2) **Security Premium Account:**

Security premium account is created when shares are issued at premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(3) **Debenture Redemption Reserve:**

The company in accordance with the Companies (share capital & debentures) amendment rules, 2019 dated August 16, 2019 is no longer required to maintain Debenture Redemption Reserve, accordingly during the year company has reversed Debenture Redemption reserve created for redemption of debentures in previous financial year.

(4) **Share Based Payments Reserve:**

For details of shares reserved under employee stock option (ESOP) of the Group. (refer note 50)

(5) **Capital Reserve:**

Forfeiture of equity share warrant on account of option not exercised by the warrant holders.

(6) **Foreign Currency Monetary Item Translation Difference Account:**

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Currency Units) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

Note 24:- Non Current Financial Liabilities - Borrowings

₹ in Lakhs

Particulars	As at 31st March 2021		As at 31st March 2020	
	Non Current	Current	Non Current	Current
Secured Loans (at amortised cost)				
Term Loan	342,599.18	18,733.53	234,687.07	5,939.71
Debentures	-	27,120.00	27,120.00	21,680.00
Unsecured Loans (at amortised cost)				
Term Loan	-	-	-	11,113.39
Loan from related party (Unsecured) (refer note no. 41)	152.80	1,170.00	1,322.80	-
Less: Unamortised upfront fees on Borrowing	(3,706.57)	(514.75)	(2,009.18)	(147.25)
	339,045.41	**46,508.79**	**261,120.69**	**38,585.85**
Less : Current Maturity of long term debt clubbed under other Financial Liabilities (Refer Note No. 30)	**-**	**(46,508.79)**	**-**	**(38,585.85)**
	339,045.41	**-**	**261,120.69**	**-**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 24.1 Nature of Security and Terms of Repayment

₹ in Lakhs

Lender	As at 31st March 2021		As at 31st March 2020		Rate of interest		Nature of security	Repayment terms
	Non Current	Current	Non Current	Current	As at 31st March, 2021	As at 31st March, 2020		
Long term borrowings								
Secured Loans (at amortised cost):								
Debentures issued to Credit Suisse AG Singapore Branch*	-	13,560.00	13,560.00	10,840.00	Zero rated, redeemable with premium at 11% IRR		The debentures are secured by the pledge of equity shares of JSW Steel Limited and JSW Energy Limited under the Pledge Agreement dated 16th December 2019 between Debenture trustee & pldegers (refer note 41)	Redemption Date 4th March, 2022
Debentures issued to DB International Asia Limited*	-	13,560.00	13,560.00	10,840.00				
PTC India Financial Services Limited	22,502.50	2,497.50	-	-	10.75%	-	First charge of present and future current assets of JSW Infrastructure standalone	Repayable in 15 quarterly installment starting from Sept-2021
Axis Rupee term loan	5,178.14	645.00	5,713.14	482.50	One Year MCLR + 0.25%	One Year MCLR + 0.25%	First pari pasu charge on JSW JPL's all present and future assets	Repayable in quarterly installments from June 2018 to June 2030
Axis FCTL Loan	24,750.51	1,736.88	27,165.27	1,039.11	One Month Libor + 340 BPS	One Month Libor + 340 BPS		
South Indian Bank	8,700.00	537.50	9,150.00	400.00	One Month MCLR in line with the Axis Bank + 0.05%	One Month MCLR in line with the Axis Bank + 0.05%		
Bank of India	26,100.00	1,875.00	27,450.00	1,050.00	One Year MCLR in line with the Axis Bank + 0.25%	One Year MCLR in line with the Axis Bank + 0.25%		
Exim Bank FCTL - 1	19,405.24	992.31	20,749.97	678.46	Libor 6 Month rate + 285 BPS	Libor 6 Month rate + 285 BPS		
Exim Bank FCTL - 2	29,107.86	1,488.47	31,124.95	1,017.71	Libor 6 Month rate + 285 BPS	Libor 6 Month rate + 285 BPS		
Union Bank of India	17,795.78	1,101.88	18,713.08	820.00	1 Year MCLR + 80 BPS, in line with Axis Bank	1 Year MCLR + 80 BPS, in line with Axis Bank	First pari pasu charge on JSW JPL's all present and future assets (except 85 acres to be handed over to HEGPL)	

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

Lender	As at 31st March 2021		As at 31st March 2020		Rate of interest		Nature of security	Repayment terms
	Non Current	Current	Non Current	Current	As at 31st March, 2021	As at 31st March, 2020		
Rupee term loan from IndusInd Bank Limited	34,800.00	4,800.00	-	-	9.95%	-	First charge by way of hypothecation over entire movable fixed assets (including capital work in progess), including all port assets, all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower with respect to concession agreements entered with Port Authorities, current asset and non-current assets (excluding investments and immovable fixed assets), raw materials, stock in progess, finished goods, stores & spares, and book debts (including all loans & advances provided), operating cash flows, receivables, commissions, revenue of whatsoever nature both present & future, of the South West Port. Pledge of 30% shares of SWPL and Non-disposal undertaking of 44% of SWPL, 40% of ECTPL, 60% of EBTPL and 70% MCTPL.	Repayable in 28 structured quarterly installments, starting from Feb-2021.
Axis Bank RTL I RTL II	5,303.69	598.24	-	-	"RTL I - 1 year MCLR+1.10% p.a. RTL II - 1 year MCLR+1.25% p.a."	-	Loan is secured by way of first pari-passu charge on entire moveable and immoveable fixed assets, current assets, receivables and proceeds both present and future including those of Project of JSW Dharamtar Port.	Repayable in quarterly installments, from June 2020 to March 2027
Axis Bank FCTL	8,665.68	1,121.77	-	-	LIBOR+3.75%	-		
Consortium Loan (Leading Bank is Yes Bank) refinanced with canara bank	5,313.17	513.98	5,914.73	451.92	Floating 8.9%	Floating 10.35%	First pari-passu charge on entire moveable and immoveable fixed assets, current assets, receivables and proceeds both present and future including those of Project of JSW DPPL.	Repayable in quarterly installments, from September 2018 to June 2030

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

Lender	As at 31st March 2021		As at 31st March 2020		Rate of interest		Nature of security	Repayment terms
	Non Current	Current	Non Current	Current	As at 31st March, 2021	As at 31st March, 2020		
Ratnakar Bank	-	-	3,900.00	-	Floating 10.30%	Floating 10.35%	Charge over all assets of JSW Dharamtar Port subject to a minimum of 1.2X.	This loan is repayable door to door i.e bullet repayment at the end of 10 years from the date of loan Oct-15 or one quarter from payment of senior lender whichever is earlier.
Consortium Loan (Lead Bank is Yes Bank)	43,892.35	-	43,892.35	-	Floating 9.70%	Floating 10.40%	First pari pasu charge on PTPL's all present and future assets	Quarterly repayment starts in December 2021 and ends in September 2031.
EXIM Bank	66,979.22	-	40,913.59	-	LTMR + 45 Basis Point	LTMR + 45 Basis Point	First pari pasu charge on PTPLEQ's all present and future assets	Quarterly repayment starts in June 2023 and ends in March 2035.
Rupee term loan from IndusInd Bank Limited	10,105.05	825.00	-	-	9.95%	-	First charge by way of hypothecation over entire movable fixed assets (including capital work in progess), including all port assets, all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower with respect to concession agreements entered with Port Authorities, current asset and non-current assets (excluding investments and immovable fixed assets), raw materials, stock in progess, finished goods, stores & spares, and book debts (including all loans & advances provided), operating cash flows, receivables, commissions, revenue of whatsoever nature both present & future, of the Ennore Coal Terminal. Pledge of 30% shares of SWPL and Non-disposal undertaking of 44% of SWPL, 40% of ECTPL, 60% of EBTPL and 70% MCTPL.	Repayable in 30 structured quarterly installments, starting from Aug-2021.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

Lender	As at 31st March 2021		As at 31st March 2020		Rate of interest		Nature of security	Repayment terms
	Non Current	Current	Non Current	Current	As at 31st March, 2021	As at 31st March, 2020		
Rupee term loan from IndusInd Bank Limited	2,000.00	-	-	-	9.95%	-	First charge by way of hypothecation over entire movable fixed assets (including capital work in progess), including all port assets, all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower with respect to concession agreements entered with Port Authorities, current asset and non-current assets (excluding investments and immovable fixed assets), raw materials, stock in progess, finished goods, stores & spares, and book debts (including all loans & advances provided), operating cash flows, receivables, commissions, revenue of whatsoever nature both present & future, of the Ennore Coal Terminal. Pledge of 30% shares of SWPL and Non-disposal undertaking of 44% of SWPL, 40% of ECTPL, 60% of EBTPL and 70% MCTPL.	Repayable in 30 structured quarterly installments, starting from Aug-2021.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

Lender	As at 31st March 2021		As at 31st March 2020		Rate of interest		Nature of security	Repayment terms
	Non Current	Current	Non Current	Current	As at 31st March, 2021	As at 31st March, 2020		
Rupee term loan from IndusInd Bank Limited	12,000.00	-	-	-	9.95%	-	First charge by way of hypothecation over entire movable fixed assets (including capital work in progess), including all port assets, all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower with respect to concession agreements entered with Port Authorities, current asset and non-current assets (excluding investments and immovable fixed assets), raw materials, stock in progess, finished goods, stores & spares, and book debts (including all loans & advances provided), operating cash flows, receivables, commissions, revenue of whatsoever nature both present & future, of the Ennore Coal Terminal. Pledge of 30% shares of SWPL and Non-disposal undertaking of 44% of SWPL, 40% of ECTPL, 60% of EBTPL and 70% MCTPL.	Repayable in 30 structured quarterly installments, starting from Aug-2021.
	342,599.18	**45,853.53**	**261,807.08**	**27,619.70**				
Unsecured Loans (at amortised cost):								
Yes Bank FCTL	-	-	-	11,113.39	3 months LIBOR plus 300 bps	3 months LIBOR plus 300 bps	Unsecured	Quarterly repayment starts in December 2021 and ends in September 2031.
JSW Techno Projects Management Limited	-	850.00	850.00	-	10.75%	-	Unsecured	Rapyament Date 4th December, 2021
Sahyog Holdings Private Limited	152.80	320.00	472.80	-	11.00%	-	Unsecured	₹320 Lakhs-25th March 2022 ₹152.80 - 25th April 2022
	152.80	**1,170.00**	**1,322.80**	**11,113.39**				

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

Lender	As at 31st March 2021		As at 31st March 2020		Rate of interest		Nature of security	Repayment terms
	Non Current	Current	Non Current	Current	As at 31st March, 2021	As at 31st March, 2020		
Short Term Borrowings (secured)								
Buyers Credit / LC	-	7,938.43	-	8,141.60	Libor 1.98% + margin	Libor 1.98% + margin	Unsecured	180 Days to 360 days from discounting date
Overdraft (ICICI Bank)	-	89.20	-	1,906.78	6M MCLR Rate + 1.2%	6M MCLR Rate + 1.2%	Unsecured	Payable on demand
Working capital loan from Indusind Bank	-	1,000.00	-	-	9.95%	-	First charge by way of hypothecation over entire movable fixed assets (including capital work in progess), including all port assets, all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower with respect to concession agreements entered with Port Authorities, current asset and non-current assets (excluding investments and immovable fixed assets), raw materials, stock in progess, finished ggods, stores & spares, and book debts (including all loans & advances provided), operating cash flows, receivables, commissions, revenue of whatsoever nature both present & future, of the Mangalore Coal Terminal.	Repayable on demand, renewable annually
Bank Overdraft	-	-	-	502.52	-	MCLR 6 Months of ICICI Bank + spread of 1.25 % p.a	Unsecured	Payable on demand
	-	**9,027.63**	**-**	**10,550.90**				
Total	**342,751.98**	**56,051.16**	**263,129.86**	**49,284.00**				
Less: Unamortised upfront fees on borrowing	(3,706.57)	(514.75)	(2,009.18)	(147.25)				
Total	**339,045.41**	**55,536.41**	**261,120.69**	**49,136.75**				

** Shares of JSW Steel Limited and JSW Energy Limited are pledged against Debentures by Vividh Finvest Pvt. Ltd., JSW Investment Pvt. Ltd., Indusglobe Multiservices Pvt. Ltd., JSW Holdings Limited and Sahyog Holding Pvt. Ltd. (refer note 41)

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 25:- Non Current Financial Liabilities- Others

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
At amortised cost:		
Security Deposits*	2,470.81	2,253.79
Accrued premium on Non-Convertible Debentures	-	810.33
Lease Obligation (refer note no. 2.8)**	23,776.99	8,847.69
Retention money for capital projects	7,330.75	6,469.96
Deferred Income**	34.58	19.05
Total	**33,613.13**	**18,400.82**

* Received from customers

** During the year Group has recognised ₹ 1,241.47 Lakhs (PY ₹ 267.39 Lakhs) as finance charge on lease and has paid ₹2,260.54 Lakhs (PY ₹ 1,455.04 Lakhs) as lease rent. At the end of the year Group has reported total lease liability of ₹24,796.87 Lakhs (PY ₹ 9,491.72 lakhs), out of which Non-Current Lease Liability is ₹ 23,776.99 Lakhs (PY ₹ 8,847.69 lakhs) and Current Lease Liability is ₹ 1,019.88 Lakhs (PY ₹ 644.03 lakhs).

The minimum lease rentals as at 31st March, 2021 and the present value as at 31st March, 2021 of minimum lease payments in respect of right of use assets acquired under leases are as follows:

₹ in Lakhs

Particulars	Minimum payments	Present value of payments
Not Later than 1 year	2,537.00	2,125.40
Later than 1 year and not later than 5 years	12,911.40	8,391.29
Later than 5 years	45,333.82	11,783.07
Total minimum lease payment	**60,782.22**	**22,299.76**
Less: Amounts representing finance charges	(38,482.45)	-
Present value of minimum lease receivables	**22,299.77**	**22,299.77**

Note 26:- Non Current Provisions

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for Employee Benefits		
Gratuity (Refer Note 43)	192.89	115.06
Leave Encashment (Refer Note 43)	470.42	367.23
Total	**663.31**	**482.29**

Note 27:-Non Current Liabilities Others

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Capital advances received	19,992.00	19,992.01
Export obligation deferred income*	8,897.42	9,614.55
Total	**28,889.42**	**29,606.56**

*Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments accounted for as government grant and being amortised over the useful life of such assets. On fulfillment of export obligation it is accounted for as Revenue.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 28:- Current Financial Liabilities - Borrowings

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured:		
From banks (refer note 24.1)		
Buyers Credit	7,938.43	8,141.60
Working Capital Loan	1,089.20	2,409.30
Total	**9,027.63**	**10,550.90**

Note 29:- Current Financial Liabilities - Trade Payables

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Total outstanding, due of Micro and Small Enterprises (refer note no. 29.1)	1,060.50	51.02
Total outstanding, dues of creditors other than Micro and Small Enterprises		
Other than Acceptance (for related parties, Refer Note 41)	25,086.83	20,411.45
Total	**26,147.33**	**20,462.47**

Note : Payables are normally settled within 1 to 180 days.

Note 29.1:- Details Of Dues To Micro, Small And Medium Enterprises as Defined Under The MSMED Act, 2006

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
Principal Amount due to Micro and Small Enterprises	1,055.08	51.02
Principal amount overdue more than 45 days*	5.42	-
Interest due on above	-	-
Total	**1,060.50**	**51.02**

*The group has not been provided interest for MSME vendor because the amount is in dispute with respect to contract terms and conditions.

Note 30:- Current-Other Financial Liabilities

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Financial Liabilities at Amortised Cost:		
Current maturities of Long Term Borrowings (refer note no. 24.1)	46,508.79	38,585.85
Interest accrued but not due on Borrowing	477.14	1,131.96
Interest accrued and due including related party (refer note no. 41)	165.62	-
Premium on Redemption on Debenture	3,881.81	665.50
Payables for capital projects		
Acceptance *	254.99	-
Other than acceptance	3,167.51	8,885.39
Lease Obligation (refer note no. 2.8 & 25)	1,019.88	644.03
Retention Money	619.37	2,171.99
Security Deposit**	2,633.70	2,679.69
Employee dues	913.93	894.45
Total	**59,642.74**	**55,658.86**

*Acceptances include credit availed by the Group from Banks for payment to suppliers for capital items. The arrangements are interest-bearing and are payable within one year.

**From customers.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 31:- Other Current Liabilities

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Advances from customers	2,250.14	517.23
Statutory Liabilities	3,248.17	760.37
Export obligation deferred income*	810.33	810.33
Total	**6,308.64**	**2,087.93**

*Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments accounted for as government grant and being amortised over the useful life of such assets. On fulfillment of export obligation it is accounted for as Revenue.

Note 32:- Current Provisions

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for Employee Benefits		
Gratuity (refer note 47)	87.61	26.35
Compensated Absences (refer note 47)	64.50	38.77
Total	**152.11**	**65.12**

Note 33:- Revenue From Operations

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from contracts with customers		
Port Dues	1,898.98	1,912.47
Pilotage & Tug hire	2,862.54	2,699.94
Berth Hire Charges	16,508.40	13,202.23
Cargo Handling Income	112,561.04	76,057.56
Wharfage Income	2,176.10	3,039.07
Dust Suppression	-	140.64
Storage Income	5,595.61	3,298.84
Cap dredging Income	4,992.26	5,052.71
Grabs Transportation Charges	19.30	24.85
Other Port Service income	9,153.63	320.37
Paradip railway project Income	2,064.70	3,014.55
Other Operating Income	2,524.49	5,551.30
Total	**160,357.05**	**114,314.53**

Revenue recognized from Contract liability (Advances from Customers)

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Trade Receivable (Gross) (Refer Note. No. 16)	41,231.37	50,296.70
Contract Liabilities		
Closing Balance of Contract Liability (Refer Note No. 31)	**2,250.14**	**517.23**

The contract liability outstanding at the beginning of the year has been recognized as revenue during the year ended 31st March 2021.

The credit period on rendering of services ranges from 1 to 30 days with or without security..

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 34:- Other Income

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest Income earned on financial assets that are not designated as FVTPL		
Loan to Related Parties	5,025.47	3,231.88
On Bank Deposits	1,205.17	481.55
Others	231.38	858.78
Gain on sale of Current Investments designated as FVTPL	120.32	1,232.30
Fair value gain on Financial Instrument designated at FVTPL	(18.35)	48.42
Net gain on Foreign Currency transaction and translation	57.95	1.07
Sale of scrap	118.45	101.44
Government grant income		
Government grant incentive income (SEIS)(refer note 2.7)*	(801.55)	1,143.94
Export obligation deferred income amortization (refer note 31)	1,099.58	857.11
Gain on sale of Property, Plant, Equipment and Intangible Assets	320.22	19.05
Miscellaneous Income	110.61	1,446.53
Total	**7,469.25**	**9,422.07**

* SEIS which had been considered as unearned provision in FY 2019-20 has been reversed in FY 2020-21 as the government has not yet published any notification for FY 2019-20.

Note 35:- Operating Expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Cargo handling expenses	22,822.81	15,927.60
Tug and pilotage charges	618.09	668.18
Stores & spares consumed	846.22	1,195.06
Power & fuel	6,241.28	3,565.99
Maintenance Dredging charges	1,676.06	1,424.80
Repair & Maintenance		
Plant & Machinery	69.82	67.02
Buildings	4,113.18	2,968.16
Fees to Regulatory Authorities	18,038.25	6,242.54
Other operating expenses	1,952.23	1,377.39
Barge Mooring - Unmooring	175.34	135.36
Labour charges	104.10	108.78
Payloader hiring	732.08	851.61
Stevedoring & Waterfront charges	70.83	11.54
Total	**57,460.29**	**34,544.03**

Note 36:-Employee Benefits Expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries, Wages and Bonus	5,225.97	4,885.36
Contributions to provident and other Fund	309.37	239.69
Gratuity & Leave encashment expense (Refer note 47)	130.94	152.65
Expense on employee stock ownership plan (refer note 23(4) & 50)	5,080.49	1,866.54
Staff welfare expenses	388.20	322.34
Total	**11,134.97**	**7,466.58**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 37:- Finance Costs

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest on:		
Loans from banks & financial institutions	16,526.48	9,166.65
Loans from related parties (refer note 41)	142.58	142.58
Lease Obligation	1,241.47	267.39
Premium on Debentures	5,340.94	1,620.48
Exchange differences regarded as an adjustment to borrowing costs	(2,435.54)	7,921.53
Other finance costs	1,969.82	8,627.20
Total	**22,785.75**	**27,745.83**

Note 38:- Depreciation and Amortisation Expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Depreciation on Tangible Assets	18,686.51	15,668.31
Depreciation on Right of Use Assets	1,944.67	818.24
Amortisation on Intangible Assets	6,434.35	3,699.18
Total	**27,065.53**	**20,185.73**

Note 39:- Other Expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Rent, rates & taxes	354.14	514.13
Advertisement and publicity	46.62	121.65
Directors sitting fees	39.70	43.22
Legal, professional & consultancy charges	920.94	765.34
Insurance	1,294.32	908.27
House keeping and horticulture expenses	69.83	65.98
Vehicle hiring & maintenance	407.27	364.16
Security charges	534.81	387.42
Corporate Social Responsibilities Expenses (Refer note 46)	644.72	716.63
Travelling expenses	193.57	265.78
General office expenses and overheads	1,998.08	1,494.64
Business support services	1,078.85	1,295.02
Allowances for doubtful debts (net)	18.83	-
Paradip railway project expenses	2,094.36	3,019.16
Others	421.87	422.90
Total	**10,117.91**	**10,384.30**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 40:- Contingent Liabilities And Commitments

A. Contingent Liabilities: (to the extent not provided for)

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
(a) Claims against the company not acknowledged as debts		-
Bank Guarantees given	15,821.97	19,327.45
Letter of Credit	6.00	1,111.18
(b) Disputed income tax liability in respect of:		
AY 2008-09	27.91	87.70
AY 2011-12	54.95	68.36
AY 2012-13	46.13	54.65
AY 2013-14	136.55	431.10
AY 2014-15	1.95	1.95
AY 2015-16	8.23	8.23
AY 2017-18	232.96	12.16
AY 2018-19	4,100.50	-
AY 2019-20	562.62	-
(c) Demand raised by Principal Commissioner Preventive with respect to Custom Duty on Import under EPCG License	333.81	-
(d) Dispute with Mormugao Port Trust regarding Cargo Handling Labour Department (CHLD)	608.00	608.00
(e) Excise duty/Customs duty/ Service tax liability that may arise in respect of matters in appeal	5,538.78	5,472.96

Notes:

(a) The Group does not expect any reimbursement in respect of the above contingent liabilities.

(b) The disputed income tax demand outstanding up to the said Assessment Year is ₹ 5,161.41 Lakhs (31st March 2020 ₹ 664.16 Lakhs). Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the group has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly, no provision has been made.

(c) It is not practicable to estimate the timing of cash outflow, if any, in respect of matters above, pending resolution of the arbitration / appellate proceedings.

B. Commitments: (net of advances)

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Capital commitments		-
Estimated amount of contracts remaining to be executed on capital account and not provided for	31,516.14	47,475.55
Other commitments		
The Group has imported capital goods under the export promotion capital goods scheme to utilise the benefit of zero or concessional custom duty rate. These benefits are subject to future exports. Such export obligations at year end aggregate to*	23,187.75	40,664.99

*Group has fulfilled export obligation of ₹ 1,36,100.95 Lakhs till 31st March, 2021.

The Company from time to time provides need based support to subsidiaries towards capital and other requirements.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 41:- Disclosures as required by Indian Accounting Standard (Ind AS) 24 Related Party Disclosures

(a) List of Related Parties:

Name	Nature of Relation
Sajjan Jindal Family Trust	Holding Entity
JSW Steel Limited	Others
JSW Infrastructure Employees Welfare Trust	Others
South West Employee Welfare Trust	Others
JSW Jaigarh Employee Welfare Trust	Others
JSW IP Holdings Private Limited	Others
JSW Holdings Private Limited	Others
Amba River Coal Limited	Others
JSW Steel Coated Limited	Others
JSW Cement Limited	Others
Art India Publishing Company Pvt Limited	Others
JSW Coated Limited	Others
JSW Projects Limited	Others
JSW Energy Limted	Others
JSW Foundation	Others
Realcom Realty Private Limited	Others
JSW Sports Limited	Others
JSW Techno Projects Management Limited	Others
Vividh Finvest Private Limited	Others
JSW Investments Private Limited	Others
Indusglobe Multiventures Private Limited	Others
Sahyog Holdings Private Limited	Others
JSW Global Business Solutions Limited	Others
JSW Severfield Structures Limited	Others
JSW Steel (Salav) Ltd	Others
Jindal Vidya Mandir	Others

Key Managerial Personnel

Name	Nature of Relation
Mr. N.K.Jain	Chairman and Independent Director
Mr. K. N. Patel	Non Executive Director
Mr. K. C. Jena	Independent Director
Ms. Ameeta Chatterjee	Independent Director
Capt. BVJK Sharma (Upto 17th April 2019)	JMD & CEO
Arun Maheshwari (From 17th April 2019)	JMD & CEO
Lalit Singhvi	Director & CFO
Gazal Qureshi	Company Secretary

(b) The following transactions were carried out with the related parties in the ordinary course of business:

₹ in Lakhs

Nature of transaction/relationship	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of goods and services		
JSW Steel Limited	46.94	754.03
JSW Cement Limited	65.43	15.66
JSW Steel Coated Product Limited	98.14	24.39
JSW Severfield Structures Ltd	239.19	3,172.12
JSW Global Business Solutions Limited	285.09	-
JSW IP Holding Limited	255.65	261.47
Total	**990.44**	**4,227.67**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

Nature of transaction/relationship	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of Capital goods		
JSW Steel Limited	543.45	94.78
JSW Cement Limited	135.09	73.96
Total	**678.54**	**168.74**
Sales of goods and services		
JSW Cement Limited	706.12	434.48
JSW Steel Coated Products Limited	377.08	-
JSW Energy Limited	9,906.47	14,950.71
JSW Techno Projects Management Pvt Ltd	4,034.54	
Amba River coke Limited	10,937.36	8,525.65
JSW Steel Limited	64,662.53	44,649.08
Total	**90,624.10**	**68,559.92**
Rent paid		
JSW Energy Limited	0.02	-
JSW Steel Limited	288.00	-
Total	**288.02**	**-**
Capital advance received		
JSW Steel Limited	-	19,992.00
Total	**-**	**19,992.00**
Pledge Fees		
Vividh Finvest Private Limited	191.78	31.30
JSW Investments Private Limited	66.61	24.92
Indusglobe Multiventures Private Limited	73.44	313.08
JSW Holdings Limited	529.55	-
Sahyog Holdings Private Limited	146.40	-
Total	**1,007.78**	**369.30**
Interest Expenses		
JSW Techno Projects Management Limited	91.37	93.50
Sahyog Holdings Private Limited	51.21	43.92
Total	**142.58**	**137.42**
Interest Income		
JSW Global Business Solutions	13.05	16.77
JSW Investments Pvt. Ltd.	7.17	7.20
JSW Sports Private Limited	2,833.95	2,701.38
JSW Cement Limited	7.47	-
JSW Projects Limited	1,981.01	61.64
Realcom Realty Private Limited	265.49	268.20
Total	**5,108.14**	**3,055.19**
Corporate Social Responsibility expenses		
JSW Foundation	633.25	389.09
Total	**633.25**	**389.09**
Loans given		
JSW Infrastructure Employees Welfare Trust	-	1,550.00
JSW Projects Limited	-	20,000.00
Total	**-**	**21,550.00**
Repayment of loans received		
JSW Investments Private Limited	72.00	-
JSW Global Business Solutions Limited	59.31	-
Realcom Realty Private Limited	277.00	-
Total	**408.31**	**-**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

Nature of transaction/relationship	For the year ended 31st March, 2021	For the year ended 31st March, 2020
OCD Repayment received		
JSW Sports Private Limited	1,350.00	-
Total	**1,350.00**	**-**
Payment of salaries, commission and perquisites to Key Management Personnel		
Capt BVJK Sharma	-	256.27
Mr. Arun Maheshwari	408.80	275.14
Mr. Lalit Singhvi	175.91	171.31
Ms Gazal Qureshi	23.17	23.04
Total	**607.88**	**725.75**
Reimbursement of expenses incurred by our behalf		
JSW Steel Limited	660.69	83.27
JSW Energy Limited	32.61	34.70
Total	**693.30**	**117.97**
Recovery of expenses incurred by us on their behalf		
JSW Steel Limited	937.45	-
JSW Infrastructure Employees Welfare Trust	1.66	1.05
South West Port Employees Welfare Trust	2.47	0.40
JSW Jaigarh Port Employee Welfare Trust	0.19	-
Total	**941.77**	**1.45**

C) Amount due to / from related parties

₹ in Lakhs

Nature of transaction/relationship	As at 31st March 2021	As at 31st March 2020
Accounts receivable		
JSW Ispat Steel Limited	62.50	-
JSW Cement Limited	543.33	621.22
JSW Steel Limited	20,841.07	26,455.75
JSW Steel Coated Product Limited	300.93	40.46
JSW Energy Limited	4,230.99	4,538.79
JSW IP Holding Limited	-	1.91
JSW Techno Projects Management Pvt Ltd	47.89	-
Amba River coke Limited	2,913.46	3,711.56
Total	**28,940.17**	**35,369.69**
Accounts Payable		
JSW Cement Limited	70.90	67.71
JSW Energy Limited	132.02	-
JSW Techno Projects Management Limited	34.94	-
JSW Paint Private Limited	1.65	-
JSW Severfield Structures Ltd	201.29	576.72
JSW Steel Limited	1,138.51	1,672.70
Sahyog Holdings Private Limited	26.04	-
Jindal Vidya Mandir	3.15	-
JSW GLOBAL BUSINESS SOLUTIONS LIMIT	106.04	8.61
JSW Foundation	-	209.26
JSW IP Holding Limited	44.31	6.47
Total	**1,758.85**	**2,541.47**
Loans given		
JSW Infrastructure Employees Welfare Trust	1,855.58	1,975.58
South West Employees Welfare Trust	375.58	375.58
JSW Jaigarh Port Employee Welfare Trusts	12.52	12.52

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

Nature of transaction/relationship	As at 31st March 2021	As at 31st March 2020
JSW Global Business Solutions Private Limited	92.69	152.00
JSW Projects Ltd	20,000.00	20,000.00
JSW Investments Pvt. Ltd.	-	72.00
Realcom Reality Pvt. Ltd.	4,758.27	5,035.27
Total	**27,094.64**	**27,622.95**
Other advances receivables		
JSW Steel Coated Products Ltd.	0.20	0.20
JSW STEEL (SALAV) LTD.	0.85	0.22
Total	**1.05**	**0.42**
Deposit given		
JSW IP Holdings Private Limited	1.00	-
Total	**1.00**	**-**
Capital advance received		
JSW Steel Limited	-	19,992.00
Total	**-**	**19,992.00**
Loans and Advances Payables		
JSW Techno Projects Management Limited	850.00	850.00
Sahyog Holdings Private Limited	472.80	472.80
Total	**1,322.80**	**1,322.80**
Interest receivable		
JSW Projects Ltd	55.47	55.47
JSW Investments Pvt. Ltd.	6.48	6.48
JSW Global Business Solutions Limited	29.19	29.19
JSW Sports Private Limited	204.59	204.59
Realcom Reality Pvt. Ltd.	691.38	691.38
Total	**987.11**	**987.11**
Interest Payable		
JSW Techno Projects Management Limited	165.62	99.85
Sahyog Holdings Private Limited	-	42.54
Total	**165.62**	**142.39**
Receovery on account of Expenses		
JSW Infrastructure Employees Welfare Trust	27.71	26.05
JSW Jaigarh Employee Welfare Trust	0.96	0.77
South West Employee Welafre Trust'	5.79	3.41
West Waves Maritime and Allied Services Private Limited	1.23	-
Total	**35.69**	**30.23**
Optional Convertible Debenture (Unquoted)		
JSW Sports Limited	29,550.00	30,900.00
Total	**29,550.00**	**30,900.00**
Colleteral Received		
Colleteral Received from Other related parties (Refer Note below *)	27,120.00	48,800.00
Total	**27,120.00**	**48,800.00**
Other Payables		
Vividh Finvest Private Limited	20.78	33.80
JSW Investments Private Limited	33.14	26.92
JSW Holdings Limited	138.23	-
Indusglobe Multiventures Private Limited	33.92	19.04
Total	**226.07**	**79.76**
Security Deposit Received for Assets, Material and services		
JSW Energy Limited	5,350.00	5,350.00
Total	**5,350.00**	**5,350.00**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

*** Shares of JSW Steel Limited and JSW Energy Limited are pledged as follows: (Refer Note 24)**

Particulars	Shares of Company	No. of Shares
JSW Investments Private Limited	JSW Energy Limited	12,095,000
Indusglobe Multiventures Private Limited	JSW Energy Limited	425,000
JSW Holdings Limited	JSW Steel Limited	12,957,000
Total		**25,477,000**

(d) Compensation of key managerial personnel of the Group

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Short-term employee benefits*	607.88	725.75
Total compensation paid to key managerial personnel	**607.88**	**725.75**

*As the future liability of the gratuity is provided on actuarial basis for the group as a whole, the amount pertaining to individual is not ascertainable and therefore not included above

The remuneration include perquisite value of ESOPs in the year it is exercised ₹ NIL (P.Y. ₹ NIL). The Group has recognised an expense of ₹ 495.88 Lakhs (P.Y ₹ 102.54 Lakhs) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under section 2(78) of the Companies Act, 2013 as the options have not been exercised.

The Independent Non-Executive Directors are paid remuneration by way of sitting fees. The Company pays sitting fees at the rate of ₹ 20,000/- for each meeting of the Board and sub-committees attended by them. The amount paid to them by way of commission and sitting fees during the year is ₹ 39.70 Lakhs (PY ₹ 43.22 Lakhs), which is not included above.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Terms and Conditions

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31st March 2021, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

Loans to Related Parties:

The Group had given loans to related parties for business requirement. The loan balances as at 31st March, 2021 was ₹ 27,094.64 Lakhs (As on 31st March, 2020 was ₹ 27,622.94 Lakhs). These loans are unsecured in nature.

(a) Loan to Group companies : The tenure of the loan is one year from the date of disbursement and interest rate is SBI MCLR + 175 BPS.

(b) Loans to employee welfare trusts : these loans are given as interest free.

Optional Convertible Debenture (Unquoted)

Optional Convertible Debenture of JSW Sports Private Limited are at IRR of 9.5%.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Loans from related parties:

The Group had taken loans from related parties for business requirement. The loan balances as at 31st March, 2021 was ₹ 1,322.80 Lakhs (As on 31st March, 2020 was ₹ 1,322.80 Lakhs). These loans are unsecured in nature.

Pledge fee:

Pledge fee is charges on pledge created on shares of JSW Steel & JSW Energy for debenture issued by holding company.

Lease Rent Paid:

The Group has paid lease rental on building taken on operating lease.

Interest income:

Interest is accrued on loan given to related party as per terms of agreement.

Interest expnese:

Interest is charges on loan from related party as per terms of agreement.

Note 42:- Imported and Indigenous Raw Materials, components and spare parts consumed

₹ in Lakhs

Particulars	As at 31st March 2021		As at 31st March 2020	
	% of total consumptions	Value	% of total consumptions	Value
Spare parts				
Imported	9.13	1,556.69	4.87	393.32
Indigenous	90.87	15,499.13	95.13	7,675.54
Total	**100.00**	**17,055.82**	**100.00**	**8,068.86**

Note 43:-Value of Imports Calculated on CIF Basis

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Components and spare parts	97.27	682.31
Capital goods	1,419.74	19,188.61
Total	**1,517.01**	**19,870.92**

Note 44:- Expenditure in Foreign Currency (Accrual Basis)

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue spares	97.27	682.31
Capital goods	1,419.74	19,188.61
Travelling Expenses	0.31	26.31
Interest on Buyers Credit	410.11	586.46
Total	**1,927.43**	**20,483.69**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 45:- Earnings in Foreign Currency

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Berth hire income (Gross)	11,448.65	11,288.12
Pilotage (Gross)	2,862.54	2,699.94
Port Dues (Gross)	1,898.98	1,912.47
Total	**16,210.17**	**15,900.53**

Note 46:- Corporate Social Responsibility (CSR)

₹ in Lakhs

Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	In Cash	Yet to be Paid in Cash	In Cash	Yet to be Paid in Cash
(a) Gross amount required to be spend by the Group during the year	644.72	-	716.08	-
(b) Amount spend on:				
(i) Construction / acquisition of assets	-	-	37.81	64.17
(ii) On purposes other than (i) above (for CSR projects)	644.72	-	429.97	184.68

Note 47:- Employee Benefits

(a) Defined contribution plans: Amount of ₹ 304.47 Lakhs (PY ₹ 226.26 Lakhs) is recognised as an expense and included in Employee benefits expense as under:

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
JSW Infrastructure Limited	70.12	75.77
JSW Jaigarh Port Limited	54.93	58.88
South West Port Limited	38.17	38.82
Dharamtar Port Private Limited	30.05	31.03
Jaigarh Digni Rail Limited	3.21	(0.73)
JSW Paradip Terminal Private Limited	12.42	22.49
Ennore Bulk Terminal Private Limited	6.67	-
Ennore Coal Terminal Private Limited	76.78	-
Mangalore Coal Terminal Private Limited	12.12	-
Total	**304.47**	**226.26**

(b) Defined Benefit Plans:

Gratuity (Funded):

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

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

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

Investment Risk:

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

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Interest Risk:

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

Longevity risk:

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

Salary risk:

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

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

₹ in Lakhs

Particulars	Gratuity	
	For the year ended 31st March, 2021 (Funded)	For the year ended 31st March, 2020 (Funded)
Change in present value of defined benefit obligation during the year		
Present Value of defined benefit obligation at the beginning of the year	569.13	470.87
Interest cost	62.13	36.65
Current service cost	117.87	68.37
Liability transfer from other Group	342.60	32.25
Benefits paid	(61.65)	(104.54)
Actuarial changes arising from changes in financial assumptions	1.64	46.59
Actuarial changes arising from changes in experience adjustments	(76.42)	18.95
Present Value of defined benefit obligation at the end of the year	955.31	569.13
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	511.74	455.72
Interest Income	22.13	35.47
Contributions paid by the employer	(19.08)	67.18
Benefits paid from the fund	(15.78)	(41.74)
Assets transferred in	(171.25)	-
Return on plan assets excluding interest income	25.33	(4.89)
Fair value of plan assets at the end of the year	353.09	511.74
Net asset / (liability) recognised in the balance sheet		
Present Value of defined benefit obligation at the end of the year	(955.31)	(569.13)
Fair value of plan assets at the end of the year	353.09	511.74
Amount recognised in the balance sheet	(602.22)	(57.39)
Net (liability) / asset- current	(40.07)	(20.35)
Net (liability) / asset- non-current	(562.15)	(37.05)
Expenses recognised in the statement of profit and loss for the year		
Current service cost	117.87	68.37
Interest cost on benefit obligation (net)	3.92	1.19
Total expenses included in employee benefits expense	121.80	69.56
Recognised in other comprehensive income for the year		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	1.64	46.59
Actuarial changes arising from changes in experience adjustments	(76.42)	18.95
Return on plan assets excluding interest income	(25.33)	4.89
Recognised in other comprehensive income	(100.11)	70.43

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

Particulars	Gratuity	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	(Funded)	(Funded)
Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting period)	50.96	18.90
Between 2 and 5 years	203.80	123.55
Between 6 and 10 years	506.00	226.91
11 years and above	482.14	605.85
Sensitivity Analysis Method:		
Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.		
Quantitative sensitivity analysis for significant assumption is as below:		
Increase / (decrease) on present value of defined benefits obligation at the end of the year:		
Projected Benefit Obligation on Current Assumptions	955.31	569.13
One percentage point increase in discount rate	(51.71)	(50.35)
One percentage point decrease in discount rate	59.37	58.21
One percentage point increase in rate of salary Increase	59.43	58.14
One percentage point decrease in rate of salary Increase	(52.43)	(23.79)
One percentage point increase in employee turnover rate	2.22	2.25
One percentage point decrease in employee turnover rate	(2.62)	(2.81)
Principal actuarial assumptions		
Discount rate	6.84% to 6.89%	6.84% to 6.89%
Salary escalation (rate p.a.)	6.00%-7.05%	6.00%
Mortality rate during employment	2006-08	2006-08
Mortality post retirement rate	N.A.	N.A.
Rate of Employee Turnover	2.00%	2.00%

Experience adjustments:

₹ in Lakhs

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Defined Benefit Obligation	955.31	569.13	470.87	351.68	327.72
Plan Assets	353.09	511.74	455.72	303.69	205.18
Surplus / (Deficit)	(602.22)	(57.39)	(15.15)	(47.99)	(122.54)
Experience Adjustments on Plan Liabilities - Loss / (Gain)	76.42	(18.95)	(63.45)	13.28	17.06
Experience Adjustments on Plan Assets - Loss / (Gain)	(25.33)	4.89	0.99	(0.41)	6.99

(i) The Group expects to contribute ₹ 25.47 lakhs (PY ₹ 24.69 lakhs) to its gratuity plan for the next year

(ii) In assessing the Group's post retirement liabilities, the Group monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate

(iii) Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

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

(iv) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Compensated Absences

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. Employee are entitled to encash leave while serving in the Company. At the rate of daily salary, as per current accumulation of leave days.

Assumption used in accounting for compensated absences:

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Present Value of unfunded obligation (₹ in Lakhs)	1,236.10	406.01
Expense recognised in Statement of profit and loss (₹ in Lakhs)	116.70	117.26
Discount Rate (p.a)	6.80%-7.76%	6.84%-7.79%
Salary escalation rate (p.a)	6.00%-7.50%	6.00%

Provident Fund

Provident Fund for eligible employees is managed by contribution to Provident Fund authority. As per Ind AS 19 on "Employee Benefits", contribution towards provident fund is considred as defined contribution plan.

Note 48:- Financial Instruments - Accounting Classifications and Fair Value Measurements

Capital Risk Management

The Group being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Group's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Group is not subject to any externally imposed capital requirements.

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

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

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Long-term borrowings	339,045.41	261,120.69
Current maturities of long-term debt and finance lease obligations	46,508.79	38,585.85
Short-term borrowings	9,027.63	10,550.90
Less: Cash and cash equivalent	15,135.23	15,710.13
Less: Bank balances other than cash and cash equivalents	16,312.66	550.61
Less: Current investments	-	6,744.03
Net debt	**363,133.94**	**287,252.67**
Total equity	**308,843.06**	**275,131.65**
Gearing ratio	**1.18**	**1.04**

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

(ii) Debt is defined as long and Short-term borrowings (excluding financial guarantee contracts), as described in notes 24.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Categories of financial instruments

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

₹ in Lakhs

Particulars	Level	Carrying amount		Fair Value	
		As at 31st March 2021	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020
Financial assets at amortised cost:					
Investments (Non-current)	2	29,550.84	30,900.00	29,550.84	30,900.00
Loans (Non-Current)		4,633.71	1,982.58	4,633.71	1,982.58
Loans (Current)		24,253.47	27,089.11	24,253.47	27,089.11
Trade receivables		41,153.42	50,218.75	41,153.42	50,218.75
Other financial assets (Non-current)	2	3,237.29	1,359.45	3,237.29	1,359.45
Other financial assets (current)	2	5,859.85	4,687.01	5,859.85	4,687.01
Cash and cash equivalents		15,135.23	15,710.13	15,135.23	15,710.13
Bank balances other than cash and cash equivalents		16,312.66	550.61	16,312.66	550.61
Total		**140,136.47**	**132,497.64**	**140,136.47**	**132,497.64**
Financial assets at fair value through profit or loss:					
Investments (current) (Level 1)	1	-	6,744.03	-	6,744.03
Total		**-**	**6,744.03**	**-**	**6,744.03**
Financial liabilities at amortised cost:					
Borrowings (Non-current)*	2	385,554.20	299,706.54	389,775.51	301,862.96
Borrowings (current)	2	9,027.63	10,550.90	9,027.63	10,550.90
Trade payables		26,147.33	20,462.47	26,147.33	20,462.47
Other financial liabilities (Non-current)	2	33,613.13	18,400.82	33,613.13	18,400.82
Other financial liabilities (current)*	2	13,133.96	17,073.01	13,133.96	17,073.01
Total		**467,476.25**	**366,193.74**	**471,697.56**	**368,350.16**

* Non-current borrowings includs current maturities of long term debt which is disclosed under Other current financial liabilities in balance sheet.

Note 1 - The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Note 2 - The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short term nature.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Note 49:-Financial Risk Management Objectives and Policies

The Group's activities expose it to a variety of financial risks, market risk, credit risk, liquidity risk and foreign exchange risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Foreign currency risk management:

The Group's functional currency is Indian Rupees (INR). The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's revenue. The Group is exposed to exchange rate risk under its trade and debt portfolio.

The carrying amounts of the group's monetary assets and monetary liabilities at the end of the reporting year are as follows:

₹ in Lakhs

Foreign currency exposure (Principle & Interest)	Foreign Currency		INR (₹)	
	As at 31st March 2021	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020
Liabilities	1,295.25	1,340.18	94,207.15	101,030.48
Total	**1,295.25**	**1,340.18**	**94,207.15**	**101,030.48**

The above foreign currecy items are unhedged.

Foreign currency sensitivity

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

₹ in Lakhs

	As at 31st March 2021		As at 31st March 2020	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
Foreign Currency Loan (USD)	(942.07)	942.07	(1,010.30)	1,010.30
Increase/ (decrease) in profit or loss	**(942.07)**	**942.07**	**(1,010.30)**	**1,010.30**

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. In order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The following table provides a break-up of the Group's fixed and floating rate borrowings:

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Floating rate borrowings	362,421.91	254,149.47
Fixed rate borrowings	36,381.23	58,264.40
Total borrowing	**398,803.14**	**312,413.87**
Add: Upfront fees	(4,221.31)	(2,156.43)
Total net borrowings	**394,581.83**	**310,257.44**

Interest Rate Sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease represents management's assessment of \the reasonably possible change in interest rates.

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

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
25 bp increase - Decrease in profit	906.05	635.37
25 bp decrease - Increase in profit	906.05	635.37

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Credit risk management:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Group is exposed to credit risk from its operating activities . The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 41,153.42 Lakhs and ₹ 50,218.75 Lakhs as of March 31, 2021 and March 31, 2020, respectively. The Group has its major revenue from group companies, revenue from third party majourly consist of Revenue from Fujairah government, Paradip government and some cargo at Jaigarh, Dharamtar, Ennore & Mangalore ports for which credit risk is not perceived as credit is not allowed to third party customers.

The following table gives details in respect of percentage of revenues generated from Group companies and third party:

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	Percentage of Revenue	For the year ended 31st March, 2020	Percentage of Revenue
Revenue from group companies	100,619.47	62.75%	83,131.42	72.72%
Revenue from third parties	59,737.58	37.25%	31,183.11	27.28%
Total	**160,357.05**	**100.00%**	**114,314.53**	**100.00%**

Credit Risk Exposure:

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2021 and March 31, 2020 was ₹ Nil and ₹ Nil Lakhs respectively.

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

Liquidity risk management:

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. The Group manages liquidity risk by maintaining adequate reserves, banking credit facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Long-term borrowings generally mature between one and 15 years. Liquidity is reviewed time to time based on weekly cash flow forecast.

As of March 31, 2021, the Group had a working capital of ₹ 78,214.05 Lakhs As of March 31, 2020, the Group had a working capital of ₹ 87,331.45 Lakhs. The Group is confident of managing its financial obligation through short term borrowing and liquiduty management.

Maturity Profile

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2021:

₹ in Lakhs

As at 31st March 2021	Less than one year	1 to 5 years	〉5 years	Total
Financial Assets:				
Investments (Non-current)	-	-	29,550.84	29,550.84
Investments (current)	-	-	-	-
Loans (Non-Current)	-	63.04	4,570.67	4,633.71
Loans (Current)	24,253.47	-	-	24,253.47
Trade receivables	41,153.42	-	-	41,153.42
Other financial assets (Non-current)	-	-	3,237.29	3,237.29
Other financial assets (current)	5,859.85	-	-	5,859.85
Cash and cash equivalents	15,135.23	-	-	15,135.23
Bank balances other than cash and cash equivalents	16,312.66	-	-	16,312.66
	102,714.63	**63.04**	**37,358.80**	**140,136.47**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

As at 31st March 2021	Less than one year	1 to 5 years	> 5 years	Total
Financial Liabilities:				
Borrowings (Non-current)*	46,508.79	145,666.73	193,378.68	385,554.20
Borrowings (current)	9,027.63	-	-	9,027.63
Trade payables	26,147.33	-	-	26,147.33
Other financial liabilities (non-current)	13,008.45	16,089.79	4,514.89	33,613.13
Other financial liabilities (current)	13,133.96	-	-	13,133.96
	107,826.16	**161,756.52**	**197,893.57**	**467,476.25**

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2020:

₹ in Lakhs

As at 31st March, 2020	Less than one year	1 to 5 years	> 5 years	Total
Financial Assets:				
Investments (Non-current)	-	-	30,900.00	30,900.00
Investments (current)	6,744.03	-	-	6,744.03
Loans (Non-Current)	-	92.69	1,889.89	1,982.58
Loans (Current)	27,089.11	-	-	27,089.11
Trade receivables	50,218.75	-	-	50,218.75
Other financial assets (Non-current)	-	-	1,359.45	1,359.45
Other financial assets (current)	4,687.01	-	-	4,687.01
Cash and cash equivalents	15,710.13	-	-	15,710.13
Bank balances other than cash and cash equivalents	550.61	-	-	550.61
	104,999.64	**92.69**	**34,149.34**	**139,241.67**
Financial Liabilities:				
Borrowings (non current)	38,580.88	92,462.75	168,662.91	299,706.54
Borrowings (current)	10,550.90	-	-	10,550.90
Trade payables	20,462.47	-	-	20,462.47
Other financial liabilities (non-current)	510.34	9,651.60	8,238.88	18,400.82
Other financial liabilities (current)	17,073.01	-	-	17,073.01
	87,177.60	**102,114.35**	**176,901.79**	**366,193.74**

Collateral

The Group has pledged part of its trade receivables, Short-term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Group. There is obligation to return the securities to the Group once these banking facilities are surrendered. (Refer note 24).

Note 50:- Employee Stock Option Plan (ESOP)

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

Particulars	ESOP Plan 2016				
	First Grant	Second Grant	Third Grant	Forth Grant	Fifth Grant
	13th June, 2016	17th May, 2017	3rd July, 2018	21st May, 2019	30th July, 2020
Vesting period	1 year	3.5 years	3.5 years	3.5 years	3.5 years
Exercise period	1 year	1 year	1 year	1 year	1 year
Expected life	5.5 years	5.63 years	5 years	3.42 years	3.92 years
Weighted average Exercise price on the date of grant	₹ 897	₹ 996	₹ 869	₹ 898	₹ 813
Weighted average fair value as on grant date	₹ 516.82	₹ 685.00	₹ 585.02	₹ 466.01	₹ 441.66

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Particulars	ESOP Plan 2016				
	First Grant	Second Grant	Third Grant	Forth Grant	Fifth Grant
	13th June, 2016	17th May, 2017	3rd July, 2018	21st May, 2019	30th July, 2020
Options Granted	168,495	157,674	230,540	313,460	342,890
Option Vested	94,942	120,259	85,505	-	-
Options Exercised	-	-	-	-	-
Options lapsed	52,013	37,415	59,531	29,506	24,033
Options bought-out	21,540	-	-	-	-
Total number of options outstanding	**94,942**	**120,259**	**171,009**	**283,954**	**318,857**

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

The following table exhibits the net compensation expenses arising from share based payment transaction:

₹ in Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Expense arising from equity settled share based payment transactions	5,181.80	1,928.99
Less: Expense capitalised out of above	249.62	62.43
Add: Expense of transferred-in employees	148.31	-
Net expense recognised in statement of Profit and Loss	5,080.49	1,866.54

For options granted under ESOP 2016 Scheme, the weighted average fair values have been determined using the Black Scholes Option Pricing Model considering the following parameters:

Particulars	ESOP Plan 2016				
	First Grant	Second Grant	Third Grant	Forth Grant	Fifth Grant
Grant Date	13th June, 2016	17th May, 2017	3rd July, 2018	21st May, 2019	30th July, 2020
Weighted average share price on the date of grant	₹ 997	₹ 1,245	₹ 1,086	₹ 1,123	₹ 1,016
Weighted average Exercise price on the date of grant	₹ 897	₹ 996	₹ 869	₹ 898	₹ 813
Expected volatility (%)	38.33%	37.71%	37.09%	35.61%	35.21%
Expected life of the option (years)	5.5 years	5.63 years	5 years	3.42 years	3.92 years
Expected dividends (%)	0%	0%	0%	0%	0%
Risk-free interest rate (%)	7.43%	6.98%	7.97%	5.02%	5.02%
Weighted average fair value as on grant date	₹ 516.82	₹ 685.00	₹ 585.02	₹ 466.01	₹ 441.66

The activity in the ESOP Plans for equity-settled share based payment transactions during the year ended March 31, 2021 is set out below:

Particulars	ESOP Plan 2016				
	First Grant	Second Grant	Third Grant	Forth Grant	Fifth Grant
Grant Date	13th June, 2016	17th May, 2017	3rd July, 2018	21st May, 2019	30th July, 2020
Oustanding as at 1st April 2019	123,179	143,382	212,444	-	-
Granted during the year	-	-	-	313,460	-
Forfeited during the year	-	10,928	16,721	11,520	-
Exercised during the year	-	-	-	-	-
Bought-out during the year	21,540	-	-	-	-
Oustanding as at 31st March 2020	101,639	132,454	195,723	301,940	-
Granted during the year	-	-	-	-	342,890
Forfeited during the year	6,697	12,195	24,714	17,986	24,033
Exercised during the year	-	-	-	-	-
Bought-out during the year	-	-	-	-	-
Oustanding as at 31st March 2021	94,942	120,259	171,009	283,954	318,857

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 51:- Earnings Per Share

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Earnings per share has been computed as under		
Profit attributable to equity shareholders (₹ In Lakhs)	29,138.32	19,042.41
Face value of equity share (₹/share)	10.00	10.00
Weighted average number of equity shares outstanding	59,929,144	59,942,204
Effect of Dilution:		
Effect of Dilutive common equivalent shares - share option outstanding	188,345	119,275
Weighted average number of equity shares outstanding	60,117,489	60,061,479
Earnings per equity share		
Basic (₹/share)	48.62	31.77
Diluted (₹/share)	48.47	31.70

Note 52:- Segment Reporting

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

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

The group has one foreign subsidiary which is not contributing more than 10% in revenue and assets.

₹ in Lakhs

Customers contributing more than 10% of Revenue	For the year ended 31st March, 2021	For the year ended 31st March, 2020
JSW Steel Limited (including its group companies)	75,976.97	53,174.73
JSW Energy Limited	9,906.47	14,950.71

Note 53:- In the opinion of the management the current assets, loans and advances (including capital advances) have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

Note 54:- The Company has continued its operations during lockdown due to the outbreak of COVID-19 as the Port Service is considered as one of the essential services by the Government. The Company's substantial port infrastructure capacities are tied up under medium to long term service agreements with its customers, which insulates revenue of the Company under such contracts.

The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, its infrastructure assets, inventory, loans, receivables and debt covenants basis the internal and external sources of information and after exercising reasonable estimates and judgements, it is determined that the carrying amounts of these assets are recoverable.

Based on assessment, the management does not expect any medium to long-term impact on the business of the Company including utilisation of installed capacity and any meeting financial obligations.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Note 55:- Non-Controlling Interest

a) Financial information of South West Port Limited

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Non-current assets	93,211.49	46,828.85
Current assets	26,616.46	31,751.31
Non-current liabilities	41,184.92	7,846.96
Current liabilities	8,696.47	6,415.44
Equity attirbutable to owners of the company	52,328.88	47,760.70
Non-controlling interest	17,617.70	16,557.04

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Revenue	24,439.65	20,279.39
Expenses	22,493.26	20,008.29
Profit / (loss) for the year	4,075.33	2,546.40
Profit / (loss) attributable to owners of the Company	3,015.75	1,884.34
Profit / (loss) attributable to the non-controlling interest	1,059.59	662.06
Profit / (loss) for the year	4,075.33	2,546.40
Other comprehensive income attributable to owners of the Company	3.05	-17.10
Other comprehensive income attributable to the non-controlling interest	1.07	-6.01
Other comprehensive income for the year	4.12	-23.10
Total comprehensive income attributable to owners of the Company	3,018.80	1,867.24
Total comprehensive income attributable to the non-controlling interest	1,060.66	656.06
Total comprehensive income for the year	4,079.46	2,523.30

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Net cash inflow / (outflow) from operating activities	7,036.54	609.64
Net cash inflow / (outflow) from investing activities	(42,241.11)	(583.33)
Net cash inflow / (outflow) from financing activities	37,268.46	(2.99)
Net cash inflow / (outflow)	2,063.89	23.31

b) Financial information of Jaigarh Digni Rail Limited

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Non-current assets	3,664.19	8,691.97
Current assets	2,600.87	2,644.91
Non-current liabilities	77.76	78.02
Current liabilities	799.74	1,090.72
Equity attirbutable to owners of the company	3,394.16	6,405.92
Non-controlling interest	1,993.40	3,762.22

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Revenue	-	-
Expenses	4,784.57	50.11
Profit / (loss) for the year	-4,781.05	2.20
Profit / (loss) attributable to owners of the Company	-3,012.06	1.39
Profit / (loss) attributable to the non-controlling interest	-1,768.99	0.82
Profit / (loss) for the year	-4,781.05	2.20
Other comprehensive income attributable to owners of the Company	0.29	0.65
Other comprehensive income attributable to the non-controlling interest	0.17	0.38
Other comprehensive income for the year	0.47	1.03
Total comprehensive income attributable to owners of the Company	-3,011.77	2.03
Total comprehensive income attributable to the non-controlling interest	-1,768.82	1.20
Total comprehensive income for the year	-4,780.58	3.23

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Net cash inflow / (outflow) from operating activities	(244.34)	(1,785.31)
Net cash inflow / (outflow) from investing activities	655.73	1,632.58
Net cash inflow / (outflow) from financing activities	(273.35)	(100.00)
Net cash inflow / (outflow)	138.05	(252.72)

c) Financial information of JSW Paradip Terminal Private Limited

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Non-current assets	66,830.63	68,982.89
Current assets	18,280.52	13,878.95
Non-current liabilities	47,011.21	47,632.25
Current liabilities	22,495.54	21,190.35
Equity attirbutable to owners of the company	15,689.71	14,186.65
Non-controlling interest	(85.29)	(147.40)

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Revenue	25,701.78	5,616.50
Expenses	24,809.68	8,155.87
Profit / (loss) for the year	916.17	(1,754.28)
Profit / (loss) attributable to owners of the Company	854.24	(1,635.69)
Profit / (loss) attributable to the non-controlling interest	61.93	(118.59)
Profit / (loss) for the year	916.17	(1,754.28)
Other comprehensive income attributable to owners of the Company	2.39	(3.18)
Other comprehensive income attributable to the non-controlling interest	0.17	(0.23)
Other comprehensive income for the year	2.56	(3.41)
Total comprehensive income attributable to owners of the Company	856.63	(1,638.87)
Total comprehensive income attributable to the non-controlling interest	62.11	(118.82)
Total comprehensive income for the year	918.73	(1,757.69)

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Net cash inflow / (outflow) from operating activities	9,996.99	(4,072.04)
Net cash inflow / (outflow) from investing activities	(2,263.04)	(21,644.91)
Net cash inflow / (outflow) from financing activities	(5,128.93)	27,094.59
Net cash inflow / (outflow)	2,605.01	1,377.64

d) Financial information of Paradip East Quay Terminal Private Limited

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Non-current assets	89,131.69	51,455.08
Current assets	16,694.11	14,089.48
Non-current liabilities	72,455.21	44,696.90
Current liabilities	11,908.43	8,705.87
Equity attirbutable to owners of the company	21,269.82	12,003.60
Non-controlling interest	192.33	138.19

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Revenue	1,228.55	1,380.00
Expenses	183.36	186.55
Profit / (loss) for the year	800.96	980.40
Profit / (loss) attributable to owners of the Company	746.81	914.13
Profit / (loss) attributable to the non-controlling interest	54.14	66.28
Profit / (loss) for the year	800.96	980.40
Other comprehensive income attributable to owners of the Company	-	-
Other comprehensive income attributable to the non-controlling interest	-	-
Other comprehensive income for the year	-	-
Total comprehensive income attributable to owners of the Company	746.81	914.13
Total comprehensive income attributable to the non-controlling interest	54.14	66.28
Total comprehensive income for the year	800.96	980.40

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Net cash inflow / (outflow) from operating activities	2,754.17	369.21
Net cash inflow / (outflow) from investing activities	(38,325.60)	(21,145.40)
Net cash inflow / (outflow) from financing activities	32,290.39	24,972.69
Net cash inflow / (outflow)	(3,281.04)	4,196.50

e) Financial information of Ennore Bulk Terminal Private Limited

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Non-current assets	20,087.94	-
Current assets	921.68	-
Non-current liabilities	24,957.28	-
Current liabilities	626.90	-
Equity attirbutable to owners of the company	(4,582.71)	-
Non-controlling interest	8.16	-

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Revenue	959.99	-
Expenses	1,904.98	-
Profit / (loss) for the year	(826.91)	-
Profit / (loss) attributable to owners of the Company	(744.22)	-
Profit / (loss) attributable to the non-controlling interest	(82.69)	-
Profit / (loss) for the year	(826.91)	-
Other comprehensive income attributable to owners of the Company	7.93	-
Other comprehensive income attributable to the non-controlling interest	0.57	-
Other comprehensive income for the year	8.50	-
Total comprehensive income attributable to owners of the Company	(763.08)	-
Total comprehensive income attributable to the non-controlling interest	(55.32)	-
Total comprehensive income for the year	(818.40)	-

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Net cash inflow / (outflow) from operating activities	(569.24)	
Net cash inflow / (outflow) from investing activities	(51.91)	
Net cash inflow / (outflow) from financing activities	637.83	
Net cash inflow / (outflow)	16.68	

Note 56:- Disclosure of additional information pertaining to the Parent Company, Subsidiaries and Joint ventures as per Schedule III of Companies Act, 2013

Particulars	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ Lakhs)	As % of consolidated net assets	Amount (₹ Lakhs)	As % of consolidated net assets	Amount (₹ Lakhs)	As % of consolidated net assets	Amount (₹ Lakhs)
Parent Company								
JSW Infrastructure Limited	29.72%	120,069.94	41.86%	9,898.86	6.21%	(1.52)	41.90%	9,897.34
Subsidiaries								
Indian								
JSW Jaigarh Port Limited	34.53%	139,502.75	37.35%	8,830.41	-34.71%	8.50	37.42%	8,838.90
South West Port Limited	12.95%	52,328.88	12.75%	3,015.75	-12.47%	3.05	12.78%	3,018.80
JSW Dharamtar Port Private Limited	7.66%	30,936.03	28.25%	6,680.84	10.22%	(2.50)	28.27%	6,678.34
Masad Marine Services Private Limited	0.00%	(1.48)	0.00%	(0.44)	0.00%	-	0.00%	(0.44)
JSW Mangalore Container Terminal Private Limited	0.01%	23.95	-0.01%	(1.31)	0.00%	-	-0.01%	(1.31)
West Waves Maritime and Allied Services Private Limited	0.00%	-	0.00%	(0.34)	0.00%	-	0.00%	(0.34)
JSW Nandgaon Port Private Limited Services Private Limited	0.86%	3,463.12	-0.02%	(5.02)	0.00%	-	-0.02%	(5.02)
JSW Salav Port Private Limited	0.00%	(2.21)	0.00%	(0.43)	0.00%	-	0.00%	(0.43)
JSW Shipyard Private Limited	0.01%	43.52	0.00%	(0.69)	0.00%	-	0.00%	(0.69)
Paradip East Quay Terminal Pvt Ltd.	5.27%	21,269.82	3.16%	746.81	0.00%	-	3.16%	746.81
JSW Paradip Terminal Private Limited	3.88%	15,689.71	3.61%	854.24	-9.75%	2.39	3.63%	856.63

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

Particulars	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ Lakhs)	As % of consolidated net assets	Amount (₹ Lakhs)	As % of consolidated net assets	Amount (₹ Lakhs)	As % of consolidated net assets	Amount (₹ Lakhs)
Jaigarh Digni Rail Limited	0.84%	3,394.16	-12.74%	(3,012.06)	-1.20%	0.29	-12.75%	(3,011.77)
Southern Bulk Terminal Private Limited	0.74%	2,980.87	-2.05%	(483.75)	0.00%	-	-2.05%	(483.75)
Ennore Bulk Terminal Private Limited	-1.13%	(4,582.71)	-3.15%	(744.22)	-32.39%	7.93	-3.12%	(736.29)
Ennore Coal Terminal Private Limited	1.43%	5,783.93	4.29%	1,014.95	38.35%	(9.38)	4.26%	1,005.57
Mangalore Coal Terminal Private Limited	-2.11%	(8,537.48)	-10.38%	(2,453.25)	-2.62%	0.64	-10.38%	(2,452.61)
Foreign								
JSW Terminal Middleast FZE	0.46%	1,869.22	-0.08%	(19.26)	146.55%	(35.86)	-0.23%	(55.13)
Non-controlling interest in all subsidiaries	4.88%	19,726.30	-2.86%	(676.01)	-8.14%	1.99	-2.85%	(674.02)
Total	100.00%	403,958.32	100.00%	23,645.08	100.04%	(24.47)	100.00%	23,620.59

Note 57:- Business combinaton

Note 57.1:-

On 13th November 2020, the Company acquired 100% stake in Southern Bulk Terminals Private Limited (earstwhile Chettinad Builders Private Limited) and took control of this company and its below three subsidiaries -

1) Ennore Coal Terminal Private Limited (earstwhile Chettinad International Coal Terminal Private Limited)
2) Ennore Bulk Terminal Private Limited (earstwhile Chettinad International Bulk Terninal Private Limited)
3) Mangalore Coal Terminal Private Limited (earstwhile Chettinad Mangalore Coal Terminal Private Limited)

The Company completed the acquisition by infusing ₹ 28,030.82 Lakhs as a cash consideration in Southern Bulk Terminals Private Limited and has been issued equity shares in lieu thereof. Accordingly, Southern Bulk Terminals Private Limited has become a wholly owned subsidiary of the Company.

As per Ind AS 103 on Business Combination, purchase consideration has been allocated on a basis of the fair value of the acquired assets and liabilities. The resulting differential has been accounted as goodwill. The financial statements include the results of above entities for the period from 13 November 2020 to 31 March 2021.

Details of the purchase consideration, net assets acquired and goodwill are as follows:

₹ in Lakhs

Particulars	Southern Bulk Terminals Private Limited (consolidated)
Net Fixed Assets	94,989.52
Non Current Assets	12,719.24
Current Assets	49,083.71
Total Assets (A)	**156,792.47**
Non Current Liabilities	119,172.42
Current Liabilities	13,123.62
Total Liabilities (B)	**132,296.04**
Total identifiable net assets at fair value (C)=(A)-(B)	**24,496.43**
Minority Interest (D)	90.00
Total identifiable net assets acquired at fair value (E)=(C)-(D)	**24,406.43**
Purchase Consideration transferred in cash (F)	**28,030.82**
Goodwill arising on acquisition (F-E)	**3,624.40**

Basis the purchase price allocation, the goodwill of ₹ 3,624.40 Lakhs is recognised in the consolidated financial statements. At the date of the acquisition, the fair value of the trade receivables approximated their gross contractual amount.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March 2021

From the date of acquisition, these entities has contributed ₹ 14,256.43 Lakhs of revenue and net loss after tax of ₹ 2,748.95 Lakhs. The Company has not incurred any material transaction costs for the above acquisition.

Note 57.2:-

On 7th December 2020, the Company has divested 100% stake in West Waves Maritime and Allied Services Private Limited.

The Company has received cash consideration of ₹ 1 Lakhs and West Waves Maritime and Allied Services Private Limited ceases to be a wholly owned subsidiary of the Company.

Details of the purchase consideration, net assets divested are as follows:

₹ in Lakhs

Particulars	West Waves Maritime and Allied Services Private Limited
Net Fixed Assets	-
Non Current Assets	-
Current Assets	0.88
Total Assets (A)	**0.88**
Non Current Liabilities	-
Current Liabilities	1.65
Total Liabilities (B)	**1.65**
Total identifiable net assets divested (C)=(A)-(B)	**(0.77)**
Purchase Consideration received in cash (D)	**1.00**
Amount credited to retained earnings (D-C)	**1.77**

Note 58:- During the year, the Group has in accordance with Indian Accounting Standard 36 (Ind AS 36) – "Impairment of Assets", performed impairment assessment of its investment in Jaigadh Digni Railway Ltd -railway project connecting Jaigarh port along with Jaigarh port assets . All these companies constitute a single cash generating unit (CGU). Based on review of recoverability of the carrying amount of its combined investment in the aforesaid companies, no impairment has been considered necessary to be provided in the Consolidated financial statements.

Note 59:- The Group is yet to receive balance confirmation in respect of certain sundry creditors, advances and debtors. The management does not expect any material difference affecting the current years financial statements due to the same.

Note 60:- Previous year's figures have been reclassified and regrouped wherever necessary to confirm with the current year classification.

Note 61:- The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of 15th May, 2021, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

Note 62:- The consolidated financial statements are approved for issue by the Audit Committee at its meeting held on 15th May, 2021 and the Board of Directors in the meeting held on 15th May, 2021.

As per our attached report of even date
For HPVS & Associates
Chartered Accountants
Firm's Registration No: 137533W

For and on behalf of Board of Directors

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 21144084AAAABM4537

Place: Mumbai
Date: 15th May, 2021

N K Jain
Chairman
DIN: 00019442

Arun Maheshwari
JMD & CEO
DIN: 01380000

Lalit Singhvi
Director & CFO
DIN: 05335938

Gazal Qureshi
Company Secretary
M No. A16843

INDEPENDENT AUDITORS' REPORT

To the Members of
JSW Infrastructure Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **JSW Infrastructure Limited** ("the Holding Company"), and its subsidiaries (the Holding company and its subsidiaries together referred to as "the Group"), comprising of consolidated Balance sheet as at 31st March, 2020, the consolidated Statement of Profit and Loss including other comprehensive income, consolidated Statement of Cash Flows and consolidated Statement of Changes in Equity and for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements/financial information of the subsidiaries referred to in sub-paragraph (a) of the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2020 and their consolidated profit including other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the Key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind financial statements.

The Key Audit Matter	Auditor's Response
Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ('SEBI (LODR) 2015' as described in note 41 of the consolidated financial statements)	
We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the consolidated financial statements as a key audit matter due to: - The significance of transactions with related parties during the year ended 31st March, 2020. - Related party transactions are subject to the compliance requirement under the Act and SEBI (LODR) 2015.	Our procedures in relation to the disclosure of related party transactions included: a) Obtaining an understanding of the Group's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the consolidated financial statements. b) Obtaining an understanding of the Group's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. c) Read minutes of shareholder meetings, board meetings and audit committee minutes regarding Group's assessment of related party transactions being in the ordinary course of business at arm's length. d) Tested, on a sample basis, related party transactions with the underlying contracts/agreements, confirmation letters and other supporting documents, as part of our evaluation of the disclosure. e) Assessing management evaluation of compliance with the provisions of Section 177 and Section 188 of the Act. f) Evaluating the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.
Recoverability of Minimum Alternate Tax ('MAT') Credit after the tax holiday period (as described in note 11 of the consolidated financial statements)	
The Group has accumulated MAT credit entitlement of ₹24,067.52 lakhs as at 31st March, 2020. The Group is under tax holiday period and the utilisation of MAT credit depends on the ability of the Group to earn adequate profits. In order to assess the utilisation of MAT credit, the Group has prepared revenue and profit projections which involves judgements and estimations. The projections are based on management's input of key variables and market conditions. The forecasted profit has been determined using estimations of projected income and expenses of the Group. We have identified this as a key audit matter, due to the judgement and estimation involved in the preparation of the forecasted profits for the utilisation of MAT credit.	Our procedures included the following: a) We have assessed the eligibility of MAT credit recognised and the judgements applied to determine the forecasted taxable income to support the recognition of MAT credit entitlement. b) We have tested the inputs and assumptions used in preparation of forecasted taxable income against historical levels of taxable profits. c) We compared the forecast of future taxable income to business plan and previous forecasts to the actual results and analysed results for material differences, if any. d) We evaluated the arithmetical accuracy of the model used to compute the recoverability of deferred tax asset. e) We have assessed the related disclosures in note 11 to the consolidated financial statements.

INDEPENDENT AUDITORS' REPORT

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended 31st March, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

a) We did not audit the financial statements/ financial information of 10 subsidiaries, whose financial statements/financial information reflect total assets of ₹246,717.31 lakhs as at 31st March, 2020, total revenues of ₹23,330.55 lakhs and net cash inflows/(outflows) amounting to ₹4,294.14 lakhs for the year ended on that date as considered in the consolidated financial statements whose financial statements/financial information have not been audited by us. These

INDEPENDENT AUDITORS' REPORT

financial statement/financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

b) The consolidated financial statements include a subsidiary incorporated outside India. Its unaudited standalone financial statements are provided by the Management by translating to the Indian Accounting Standards prescribed under Section 133 of the Act. The consolidated financial statements reflect total assets of ₹2,726.37 lakhs as at 31st March, 2020, total revenues of ₹3,323.38 lakhs and net cash flows amounting to ₹61.52 lakhs for the period ended on that date, as considered in the consolidated financial statements. We have relied on the standalone financial statements provided to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based on the Management certified standalone financial statements.

Our opinion on the above consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by sub-section (3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and reports of the other statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group companies is disqualified as on 31st March, 2020 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.

f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated

financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure A" to this report.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended:

In our opinion and based on the consideration of report of other statutory auditor of the subsidiary companies incorporated in India, the managerial remuneration for the year ended 31st March, 2020 has been paid/ provided by the Holding Company and its subsidiary companies incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule (V) to the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 39 to the consolidated financial statements.

ii. The Group did not have any long-term contracts including derivative contracts as at 31st March, 2020 for which there were any material foreseeable losses; and.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India.

For HPVS & Associates
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L. Dattani
Partner
M. No.: 144084
UDIN: 20144084AAAABA1147

Place: Mumbai
Date: 29th May, 2020

ANNEXURE A

To the Independent Auditors' Report

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section (3) of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of **JSW Infrastructure Limited** as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting of JSW Infrastructure Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its Subsidiary Company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements

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

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to the one Subsidiary Company, which is a company incorporated in India, is based on the corresponding report of the auditor of such subsidiary incorporated in India.

For HPVS & Associates
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L. Dattani
Partner
M. No.: 144084
UDIN: 20144084AAAABA1147

Place: Mumbai
Date: 29th May, 2020

CONSOLIDATED BALANCE SHEET

As at 31st March, 2020

CIN: U45200MH2006PLC161268

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	354,513.53	291,803.28
Right-of-Use Assets	4	9,861.13	-
Capital Work-in-Progress	5	75,027.98	85,941.67
Other Intangible Assets	6	30,424.48	33,845.63
Intangible Assets Under Development	7	129.53	257.42
Financial Assets			
Investments	8	30,900.00	-
Loans	9	152.00	152.00
Other Financial Assets	10	1,359.45	1,610.36
Deferred Tax Assets (Net)	11	11,298.95	10,602.28
Other Non-Current Assets	12	9,169.35	19,924.60
Total Non-Current Assets		**522,836.40**	**444,137.24**
Current Assets			
Inventories	13	12,515.34	7,585.28
Financial Assets			
Investments	14	6,744.03	22,976.24
Trade Receivables	15	50,218.75	39,049.77
Cash and Cash Equivalents	16	15,710.13	5,029.65
Bank Balances other than Cash and Cash Equivalents	17	550.61	5,146.71
Loans	18	27,089.11	30,634.08
Other Financial Assets	19	6,517.59	3,587.96
Current Tax Assets (Net)	11	11,584.85	3,495.05
Other Current Assets	20	32,220.99	21,124.06
Total Current Assets		**163,151.40**	**138,628.80**
TOTAL ASSETS		**685,987.80**	**582,766.04**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	21	5,992.92	6,017.98
Other Equity	22	248,828.69	282,748.51
Equity attributable to Owners of the Company		254,821.61	288,766.49
Non-Controlling Interests	22	20,310.04	19,705.34
Total Equity		**275,131.65**	**308,471.83**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	23	261,120.70	200,012.06
Other Financial Liabilities	24	18,381.77	7,333.46
Provisions	25	482.29	371.17
Deferred Tax Liabilities (Net)	11	12,420.51	4,623.17
Other Non-Current Liabilities	26	29,625.61	10,165.36
Total Non-Current Liabilities		**322,030.88**	**222,505.22**
Current Liabilities			
Financial Liabilities			
Borrowings	27	10,550.90	-
Trade Payables			
Total outstanding, due of Micro and Small Enterprises	28	51.02	49.71
Total outstanding, due of creditors other than Micro and Small Enterprises	28	7,935.71	673.21
Other Financial Liabilities	29	68,134.58	39,040.58
Other Current Liabilities	30	2,087.93	11,969.01
Provisions	31	65.13	56.48
Total Current Liabilities		**88,825.27**	**51,788.99**
TOTAL EQUITY AND LIABILITIES		**685,987.80**	**582,766.04**
Significant Accounting Policies and Key Accounting Estimates and Judgements	1 & 2		

The accompanying notes form an integral part of consolidated financial statements.

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
Firm's Registration No.: 137533W

Vaibhav L. Dattani
Partner
Membership No.: 144084
UDIN: 20144084AAAABA1147

Dated: 29th May, 2020
Place: Mumbai

For and on behalf of the Board of Directors

N. K. Jain
Chairman
DIN: 00019442

Arun Maheshwari
JMD & CEO
DIN: 01380000

Lalit Singhvi
Director & CFO
DIN: 05335938

Gazal Qureshi
Company Secretary
M No.: A16843

Dated: 29th May, 2020
Place: Mumbai

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended 31st March, 2020

(₹ in Lakhs Except EPS)

Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
INCOME			
Revenue from Operations	32	114,314.53	108,026.02
Other Income	33	9,422.07	10,133.31
Total Income (1)		123,736.60	118,159.33
EXPENSES			
Operating Expenses	34	34,544.03	33,795.52
Employee Benefits Expense	35	7,466.58	5,962.23
Finance Costs	36	27,745.83	17,713.65
Depreciation and Amortisation Expense	37	20,185.73	17,058.84
Impairment of Goodwill		-	8,190.67
Other Expenses	38	10,384.30	7,054.20
Total Expenses (2)		100,326.47	89,775.11
Profit before tax (1-2)		23,410.13	28,384.22
Tax Expense			
Current Tax	11	3,080.63	5,386.08
Deferred Tax	11	676.53	(4,198.35)
Profit for the year (3)		19,652.97	27,196.49
Other Comprehensive Income			
(i) Items that will not be reclassified to Profit or Loss			
Remeasurement of Employee Benefits Expenses		(34.90)	(38.39)
Income tax relating to items that will not be reclassified to Profit or Loss		10.37	8.82
Total (i)		(24.53)	(29.57)
(ii) Items that will be reclassified to Profit or Loss			
Changes in Foreign Currency Monetary Item Translation Difference Account (FCMITDA)		279.88	(4.73)
Income tax relating to items that will be reclassified to Profit or Loss		(97.80)	1.65
Total (ii)		182.08	(3.08)
Total Other Comprehensive Income/(loss) for the year (4) (i+ii)		157.55	(32.65)
Total Comprehensive Income for the year (3+4)		19,810.52	27,163.84
Profit for the year attributable to:			
- Owners of the Company		19,042.41	26,672.44
- Non-Controlling Interest		610.56	524.05
Other Comprehensive Income for the year attributable to:			
- Owners of the Company		163.41	(31.41)
- Non-Controlling Interest		(5.86)	(1.24)
Total Comprehensive Income for the year attributable to:			
- Owners of the Company		19,205.81	26,641.03
- Non-Controlling Interest		604.71	522.81
Earnings per equity share (₹)			
(Face value of equity share of ₹10 each)			
Basic (₹)	52	31.77	44.32
Diluted (₹)		31.30	43.87
Significant Accounting Policies and Key Accounting Estimates and Judgements	1 & 2		

The accompanying notes form an integral part of consolidated financial statements.

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
Firm's Registration No.: 137533W

Vaibhav L. Dattani
Partner
Membership No.: 144084
UDIN: 20144084AAAABA1147

Dated: 29th May, 2020
Place: Mumbai

For and on behalf of the Board of Directors

N. K. Jain
Chairman
DIN: 00019442

Arun Maheshwari
JMD & CEO
DIN: 01380000

Lalit Singhvi
Director & CFO
DIN: 05335938

Gazal Qureshi
Company Secretary
M No.: A16843

Dated: 29th May, 2020
Place: Mumbai

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year Ended 31st March, 2020

A) Equity Share Capital

(₹ in Lakhs)

Balance as at 01-04-2019	Movement during the year	Balance as at 31-03-2020
6,017.98	(25.06)	5,992.92

* Movement is due to acquisition of treasury shares

(₹ in Lakhs)

Balance as at 01-04-2018	Movement during the year	Balance as at 31-03-2019
6,017.98	-	6,017.98

B) Other Equity

(₹ in Lakhs)

Particulars	Retained Earnings	Securities Premium Reserve	Debenture Redemption Reserve	Share based Payment Reserve	Capital Reserve	FCMITDA	Total equity attributable to equity holders of the Company	Non-Controlling Interests	Total
Balance as at 1st April, 2019	**190,249.90**	**83,735.47**	**-**	**2,770.87**	**5,998.67**	**(6.40)**	**282,748.51**	**19,705.34**	**302,453.85**
Profit for the year	19,042.41	-		-	-	-	19,042.41	610.56	19,652.97
Transferred to/from Debenture Redemption Reserve	(12,200.00)	-	12,200.00	-	-	-	-	-	-
Share issue expenses of subsidiaries	(308.76)		-	-	-	-	(308.76)	-	(308.76)
Impact of business combination (Refer Note No. 58)	(3,183.26)	(51,562.60)					(54,745.86)	-	(54,745.86)
Recognition of Shared Based Payments	-	-	-	1,928.99	-		1,928.99	-	1,928.99
Changes in Foreign currency monetary item translation						182.08	182.08	-	182.08
Remeasurements Gain on Defined Benefit Plans (Net of Tax)	(18.68)	-	-	-	-		(18.68)	(5.86)	(24.53)
Balance as at 31st March, 2020	**193,581.61**	**32,172.87**	**12,200.00**	**4,699.86**	**5,998.67**	**175.68**	**248,828.69**	**20,310.04**	**269,138.74**

(₹ in Lakhs)

Particulars	Retained Earnings	Securities Premium Reserve	Debenture Redemption Reserve	Share based Payment Reserve	Capital Reserve	FCMITDA	Total equity attributable to equity holders of the Company	Non-Controlling Interests	Total
Balance as at 1st April, 2018	**163,605.79**	**83,735.47**	**-**	**1,952.58**	**5,998.67**	**(3.32)**	**255,289.19**	**19,182.53**	**274,471.71**
Profit for the year	26,672.44	-	-	-	-	-	26,672.44	524.05	27,196.50
Recognition of Shared Based Payments	-	-	-	818.29	-	-	818.29	-	818.29
Changes in Foreign currency monetary item translation						(3.08)	(3.08)	-	(3.08)
Remeasurements Gain on Defined Benefit Plans (Net of Tax)	(28.33)	-	-	-	-	-	(28.33)	(1.24)	(29.58)
Balance as at 31st March, 2019	**190,249.90**	**83,735.47**	**-**	**2,770.87**	**5,998.67**	**(6.40)**	**282,748.51**	**19,705.34**	**302,453.84**

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
Firm's Registration No.: 137533W

Vaibhav L. Dattani
Partner
Membership No.: 144084
UDIN: 20144084AAAABA1147

Dated: 29th May, 2020
Place: Mumbai

For and on behalf of the Board of Directors

N. K. Jain
Chairman
DIN: 00019442

Arun Maheshwari
JMD & CEO
DIN: 01380000

Lalit Singhvi
Director & CFO
DIN: 05335938

Gazal Qureshi
Company Secretary
M No.: A16843

Dated: 29th May, 2020
Place: Mumbai

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2020

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
[A] Cash Flows from Operating Activities		
Profit before tax	**23,410.13**	**28,384.22**
Adjustments for:		
Impairment of Goodwill	-	8,190.67
Depreciation and Amortisation Expense	20,185.73	17,058.84
Finance Costs	27,745.83	17,713.65
Share Based Payment Expenses	1,866.54	736.42
Interest Income	(4,572.21)	(6,352.89)
Profit on sale of Investments (net)	(1,280.72)	(1,072.78)
(Profit)/loss on sale of Fixed Assets (net)	(19.05)	12.42
Operating profit before working capital changes	**67,336.25**	**64,670.55**
Adjustments for:		
(Increase)/Decrease in Trade and Other Receivables	(43,963.43)	(17,386.47)
(Increase)/Decrease in Inventories	(4,930.06)	(2,591.34)
Increase/(Decrease) in Trade and other Payables	11,199.98	(8,292.51)
Increase/(Decrease) in Provisions	(138.69)	(619.70)
Cash generated from Operating Activities	29,504.05	35,780.53
Direct taxes paid (net of refunds)	(3,633.62)	(2,978.40)
Net Cash generated from Operating Activities [A]	**25,870.43**	**32,802.13**
[B] Cash Flows from Investing Activities		
Inflows		
Sale of Property, Plant and Equipment and Intangible Assets	40.96	47.52
Sale of Current Investments	124,531.07	117,907.36
Proceeds from Fixed Deposits	4,596.10	19,970.91
Interest Received	5,920.63	4,745.99
	135,088.76	**142,671.78**
Outflows		
Purchase of Property, Plant and Equipment and Intangible Assets	67,378.66	55,187.59
Purchase of Investments	107,018.14	136,973.20
	174,396.80	**192,160.79**
Net Cash used in Investing Activities [B]	**(39,308.04)**	**(49,489.01)**
[C] Cash Flows from Financing Activities		
Inflows		
Proceeds from Long-Term Borrowings (refer note (c))	144,407.11	76,298.92
Proceeds from Short-Term Borrowings (refer note (c))	10,153.91	-
	154,561.02	**76,298.92**
Outflows		
Repayments of Long-Term Borrowings (refer note (c))	108,922.37	17,509.38
Repayments of Short-Term Borrowings (refer note (c))	-	32,547.67
Bought back of ESOP options	-	37.11
Interest Paid	21,560.69	12,215.58
	130,483.06	**62,309.74**
Net Cash generated from Financing Activities [C]	**24,077.96**	**13,989.18**
Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)	**10,640.35**	**(2,697.70)**
Cash and Cash Equivalents at beginning of the year	**5,029.65**	**7,727.35**
Add: Cash and Cash Equivalents pursuant to business combinations (refer note 58 & cash flow note (e))	40.13	-
Cash and Cash Equivalents at end of the year	**15,710.13**	**5,029.65**

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2020

Notes:

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

(b) Cash and Cash Equivalents comprises of

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash on Hand	10.86	7.34
Balances with Banks:		
Current Accounts	2,002.23	2,637.25
Deposits with Bank with maturity less than 3 months	13,697.04	2,385.06
Cash and Cash Equivalents in Cash Flow Statement	**15,710.13**	**5,029.65**

(c) Reconciliation Part of Cash Flows

(₹ in Lakhs)

Particulars	As at 31st March, 2019	Cash Flows	Non-Cash Changes			As at 31st March, 2020
			Acquisition (refer Note No. 58)	Foreign exchange movement	Fair value changes	
Long-Term Borrowings	205,083.99	35,484.75	51,170.00	7,720.33	247.49	299,706.56
Short-Term Borrowings	-	10,153.91	-	396.99	-	10,550.90
Total liabilities from Financing Activities	**205,083.99**	**45,638.66**	**51,170.00**	**8,117.32**	**247.49**	**310,257.46**

(₹ in Lakhs)

Particulars	As at 31st March, 2019	Cash Flows	Non-Cash Changes			As at 31st March, 2020
			Acquisition	Foreign exchange movement	Fair value changes	
Long-Term Borrowings	141,567.64	58,789.53	-	5,401.56	(674.74)	205,083.99
Short-Term Borrowings	31,611.50	(32,547.67)	-	936.17	-	-
Total liabilities from Financing Activities	**173,179.14**	**26,241.86**	**-**	**6,337.73**	**(674.74)**	**205,083.99**

(d) The share issue expenditure amounting to ₹308.76 lakhs for issue of shares by subsidiaries are considered as operating activity in Consolidated Cash Flow Statement and presented in Statement in Changes of Equity.

(e) As the Cash and Cash Equivalents at the beginning of the year pertaining to entities merged under business combination (refer note 58) is shown separately with closing cash balance in Cash Flow Statement, movement of assets and liabilities due to business combination have not been disclosed separately in each Cash Flow Statement head.

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
Firm's Registration No.: 137533W

Vaibhav L. Dattani
Partner
Membership No.: 144084
UDIN: 20144084AAAABA1147

Dated: 29th May, 2020
Place: Mumbai

For and on behalf of the Board of Directors

N. K. Jain
Chairman
DIN: 00019442

Arun Maheshwari
JMD & CEO
DIN: 01380000

Lalit Singhvi
Director & CFO
DIN: 05335938

Gazal Qureshi
Company Secretary
M No.: A16843

Dated: 29th May, 2020
Place: Mumbai

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

1. Company Overview

The Consolidated financial statements comprise financial statements of JSW Infrastructure Limited ("the Company" or "the Parent") and its subsidiaries (Collectively "the group") for the period 31st March, 2020. The Company is a public limited company, domiciled in India and incorporated in under the provision of Companies Act applicable in India. The registered office of the Company is located at JSW Centre, Bandra-Kurla Complex, Bandra East, Mumbai - 400 051.

The Parent and its subsidiaries (together referred to as a 'Group') are engaged in developing and operating mechanised modern ports at suitable locations over the country to support JSW Group in addition to catering to third party cargo handling requirement. Apart from this, the Group is also planning to undertake various logistic related activities like Shipping, Roads, Railways, Marine Infrastructures, etc.

The following entities are included in consolidation:

Name of the Company	Country of Incorporation	Shareholding either directly or through subsidiaries	Nature of Operations (commenced/ planned)
JSW Jaigarh Port Limited	India	100%	Port Services
South West Port Limited	India	74%	Port Services
JSW Shipyard Private Limited	India	100%	Ship building & repair
West Waves Maritime and Allied Services Private Limited	India	100%	Port Services
JSW Nandgaon Port Private Limited	India	100%	Port Services
JSW Dharamtar Port Private Limited	India	100%	Port Services
JSW Mangalore Container Terminal Private Limited	India	100%	Port Services
Masad Marine Services Private Limited	India	100%	Port Services
Jaigarh Digni Rail Limited	India	63%	Railway Network
JSW Salav Port Private Limited	India	100%	Port Services
JSW Paradip Terminal Private Limited	India	93.24%	Port Services
Paradip East Quay Coal Terminal Pvt. Ltd.	India	93.24%	Coal Berth
JSW Terminal Middle East FZE	United Arab Emirates	100%	Port Services

2. Significant Accounting Policies and Key Accounting Estimates and Judgements

2.1 STATEMENT OF COMPLIANCE

The consolidated financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act, 2013, (Ind AS Compliant Schedule III), as applicable to consolidated financial statement.

Accordingly, the Group has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31st March, 2020 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements' or 'Consolidated financial statements').

These consolidated financial statements are approved for issue by the Board of Directors on 29th May, 2020

2.2 BASIS OF PREPARATION AND PRESENTATION

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year, as explained in the accounting policies below, and acquisition of subsidiaries where assets and liabilities are measured at fair values as at the date of acquisition in accordance with Ind AS 103.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether

that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1,2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The Consolidated Financial Statement is presented in INR and all values are rounded to the nearest lakhs except when otherwise stated.

Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

2.3 BASIS OF CONSOLIDATION

The Consolidated Financial Statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee
- is exposed to, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

2.4 BUSINESS COMBINATIONS

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Acquisition-related costs are generally recognised in Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of bargain purchase, before recognising gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss. If the initial accounting for a business combination is incomplete by the end of the financial year, the provisional amounts for which the accounting is incomplete shall be disclosed in the consolidated financial statements and provisional amounts recognised at the acquisition date shall be retrospectively adjusted during the measurement period. During the measurement period, the group shall also recognise additional assets or liabilities if the new information is obtained about facts and circumstances that existed as of the acquisition date and if known, would have resulted in the recognition of those assets and liabilities as of that date. However, the measurement period shall not exceed the period of one year from the acquisition date.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised under equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

2.5 GOODWILL

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.6 REVENUE RECOGNITION

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue from port operations services/multi-model service including cargo handling and storage are recognised on proportionate completion method basis based on services completed till reporting date. Revenue on take-or-pay charges are recognised for the quantity that is difference between annual agreed tonnage and actual quantity of cargo handled.

Income from fixed price contract – Revenue from infrastructure development project/services under fixed price contract. Where there is no uncertainty as to measurement or collectability of consideration is recognised based on milestones reached under the contract.

The amount recognised as revenue is exclusive of goods & services tax where applicable.

2.7 OTHER INCOME

Other income is comprised primarily of interest income, mutual fund income, exchange gain/loss. All financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate exactly discounts the estimated cash payments or receipt over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of financial liability. When calculating the EIR, the group estimates the expected cash flow by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Mutual fund is recognised at fair value through Profit and Loss.

Income from Services Exports from India Scheme ('SEIS') incentives under Government's Foreign Trade Policy 2015-20 on the port services income is recognised based on effective rate of incentive under the scheme, provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to SEIS licences are classified as ' Other Current Asset – Refer Note 20.

2.8 LEASES

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

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The lease term of Group's RoU assets which comprises only Buildings varies from 3 to 30 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test. Refer to the accounting policies no. 1.17 for Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head "Other Financial Liabilities". Lease liabilities has been presented under the head "Other Financial Liabilities".

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e. below ₹50,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

A) New and amended accounting standards:

Ind AS 116 – Leases

Ind AS 116 supersedes Ind AS 17 Leases including evaluating the substance of transactions involving the legal form of a Lease. The standard sets out the principles for the recognition, measurement,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under Ind AS 116 is substantially unchanged under Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Group is the lessor.

The Group adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1st April, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application.

Effective 1st April, 2019, the Group has adopted Ind AS 116 "Leases' and applied the standard to all lease contracts existing on the date of initial application i.e. 1st April 2019. The Group has used the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset recognised at an amount equal to the lease liability adjusted for any prepayments/ accruals recognised in the balance sheet immediately before the date of initial application. Accordingly, comparatives for the year ended 31st March, 2019 have not been retrospectively adjusted.

Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which have been applied by the Group.

Leases previously accounted for as operating leases

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. The right-of-use assets were recognised at amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Most of the contracts that contains extension terms are on mutual agreement between both the parties and hence the potential future rentals cannot be assessed. Certain contracts where the extension terms are unilateral are with unrelated parties and hence there is no certainty about the extension being exercised.

The weighted average incremental borrowing rate applied to the newly recognised lease liabilities pursuant to Ind AS 116 adoption as at 1st April, 2019 is 9.25%.

2.9 FOREIGN CURRENCY TRANSLATION

The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The consolidated financial statements are presented in Indian National

Rupee (INR), which is Group's functional and presentation currency.

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) assets and liabilities are translated at the closing rate at the date of that Balance Sheet

b) income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

c) all resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to the Statement of Profit and Loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.10 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.

The Group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

2.11 GOVERNMENT GRANT

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Consolidated Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of profit and loss over the expected useful lives of the assets concerned.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

2.12 EMPLOYEE BENEFITS

Retirement benefit costs and termination benefits:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the year of a plan amendment or when the Group recognises corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

2.13 STOCK BASED PAYMENT ARRANGEMENTS

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 51.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Group has created an Employee Benefit Trust for providing share-based payment to

its employees. The Group uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Group from the market, for giving shares to employees. The Group treats Trust as its extension and shared held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

2.14 TAXES

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

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred tax asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Group is eligible and claiming tax deduction available under Section 80IA of Income Tax Act, 1961 for a period of 10 years out of eligible period of 15 years for some of its subsidiaries. Also Group is eligible and claiming tax deduction available under Section 35AD of Income Tax Act. In view of the Group availing tax deduction under Section 80IA and 35AD of the Income Tax

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Act, 1961, deferred tax has been recognised in respect of temporary difference, which reverses after the tax holiday period in the year in which the temporary difference originates and no deferred tax (assets or liabilities) is recognised in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. For recognition of deferred tax, the temporary difference which originates first are considered to reverse first.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis

2.15 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are measured at acquisition cost less accumulated depreciation and accumulated impairment losses. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by Management. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method as prescribed under Part C of schedule II of the Companies Act, 2013 except for the assets mentioned below for which useful life estimated by the management. The Identified components of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets.

The Group has estimated the following useful lives to provide depreciation on its certain fixed assets based on assessment made by experts and management estimates.

Assets	Estimated useful lives
Building	5-28 Years
Plant and Machinery	2-18 Years
Ships	28 years
Office equipment	3-20 Years
Computer equipment	3-6 Years
Furniture and fixtures	5-15 Years
Vehicles	8-10 Years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Freehold land is not depreciated and Leasehold land is amortised over the period of lease.

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any 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 Statement of Profit and Loss.

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed-off are reported at the lower of the carrying value or the fair value less cost to sell.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The group has policy to expense out the assets which is acquired during the year and value of such assets is below ₹5,000.

2.16 INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The cost of intangible assets having finite lives, which are under development and before put to use, are disclosed as 'Intangible Assets under development.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Assets	Estimated useful lives
Computer Software	3-5 Years

Port concession rights arising from Service Concession/Sub-Concession

The Group recognises port concession rights as "Intangible Assets" arising from a service concession arrangement, in which the grantor controls or regulates the services provided and the prices charged, and also controls any significant residual interest in the infrastructure such as property, plant and equipment, even if the infrastructure is existing infrastructure of the grantor or the infrastructure is constructed or purchased by the Group as part of the service concession arrangement. The Group acts as the operator in such arrangement. Such an intangible asset is recognised by the Group at cost which is fair value of the consideration received or receivable for the construction services delivered) and is capitalised when the project is complete in all respects and the Group receives the completion certificate from the authorities as specified in the concession agreement.

Port concession rights also include certain property, plant and equipment which are reclassified as intangible assets in accordance with Appendix A of Ind AS 11 'Service Concession Arrangement'.

These assets are amortised based on the lower of their useful lives or concession period.

Gains or losses arising from de-recognition of port concession rights are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the consolidated statement of profit or loss when the assets is de-recognised.

The estimated period of port concession arrangement ranges within a period of 25-30 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

2.17 IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS OTHER THAN GOODWILL

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease to the extent of revaluation reserve.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.18 INVENTORY

Consumables, construction materials and stores and spares are valued at lower of cost and net realisable value. Obsolete, defective, unserviceable and slow-non-moving stocks are duly provided for. Cost is determined by the weighted average cost method. Net Realisable Value in respect of stores and spares is the estimated current procurement price in the ordinary course of the business.

2.19 FAIR VALUE MEASUREMENT

The Group measures financial instruments at fair value in accordance with accounting policies at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group.

The fair value of asset or a liability is measured using the assumptions that market participants would use in pricing the asset or liability, assuming that market participant at in their economic best interest.

A fair value measurement of a non-financing asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

2.20 FINANCIAL INSTRUMENTS

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

a) Investments and other financial assets:

Classification

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

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

ii) those measured at amortised cost.

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

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

Initial recognition and measurement

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

Subsequent measurement

After initial recognition, financial assets are measured at:

i) fair value (either through other comprehensive income or through profit or loss) or,

ii) amortised cost.

Debt instruments

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

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

Measured at fair value through other comprehensive income (FVTOCI): Financial assets that are held within a business

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

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

Gains or Losses on De-recognition

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

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

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

Gains or Losses on De-recognition

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

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

De-recognition

A financial asset is de-recognised only when

i) The Group has transferred the rights to receive cash flows from the financial asset or

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

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

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

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

Impairment

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

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument. The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on

that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

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

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

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

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

Income recognition

Effective Interest Method

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

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

b) Financial liabilities & Equity Instruments

Equity Instruments

The Group subsequently measures all investments in equity instruments at fair value. The Management of the Group has elected to present fair value gains and losses on its investment equity instruments in other comprehensive income, and there is no subsequent reclassification of these

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments continue to be recognised in the Statement of Profit and Loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial liabilities

Classification as debt or equity Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

Subsequent measurement Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

2.21 PROVISIONS, CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS

A provision is recognised when the Group has a present obligation (legal or constructive), as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events, when the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

2.22 CASH AND CASH EQUIVALENTS

Cash and short-term deposits in the Balance Sheet comprise cash at banks, cheque on hand, short-term deposits with a maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

2.23 STATEMENT OF CASH FLOW

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

operating, investing and financing activities of the Group are segregated.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits.

2.24 EARNINGS PER EQUITY SHARE

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders.

Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Group to satisfy the exercise of the share options by the employees.

2.25 SEGMENT REPORTING

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

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

2.26 RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2020.

2.27 NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

The Group has applied the following standards and amendments for the first time for annual reporting period commencing from 1st April, 2019.

1. Ind AS 12 – Income Taxes – Appendix C, Uncertainty over Income Tax Treatments

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the Group have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit/loss, tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The standard became effective from April 01, 2019. The Group has adopted the standard on April 01, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 01, 2019 if any without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C is insignificant in the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

2. **Amendment to Ind AS 12 – Income taxes**
The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The adoption of the standard did not have any material impact to the consolidated financial statements. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend in accordance with Ind AS 12.

3. **Amendment to Ind AS 19 – Employee benefit – plan amendment, curtailment or settlement**
The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

The adoption of the standard did not have any material impact to the consolidated financial statements.

2.28 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's consolidated financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future period.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful lives and the expected residual value at the end of its lives. The useful lives and residual values of Group's assets are determined by Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Taxes

The group has two tax jurisdiction i.e. at India and UAE, though the Group also files tax return in other overseas jurisdiction. Significant judgements are involved in determining the provision for income taxes.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a specified period in which MAT credit arises, subject to the limits prescribed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

Impairment of financial assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. The cases which have been determined as remote by the Group are not disclosed.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements unless when an inflow of economic benefits is probable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 3:- Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Freehold land	Leasehold land	Buildings	Plant and machinery (Owned)	Ships	Furniture and fittings	Office equipments	Computers	Vehicles	Total
Cost:										
As at 01-04-2018	**20,565.16**	**13,419.22**	**134,358.47**	**116,796.87**	**8,703.57**	**531.45**	**353.05**	**84.27**	**443.27**	**295,255.33**
Additions/adjustments			29,963.88	1,317.37	27.84	77.85	162.47	23.20	73.16	31,645.77
Disposals/transfers			-	-	-	-	44.13	0.48	14.35	58.96
As at 31-03-2019	**20,565.16**	**13,419.22**	**164,322.35**	**118,114.24**	**8,731.41**	**609.31**	**471.39**	**106.99**	**502.07**	**326,842.14**
Additions/adjustments	926.85	-	17,864.06	49,541.50	9,975.80	69.18	85.82	18.53	19.48	78,501.22
Disposals/transfers	-	-	-	194.36	-	7.58	24.13	-	1.09	227.16
As at 31-03-2020	**21,492.01**	**13,419.22**	**182,186.41**	**167,461.38**	**18,707.21**	**670.91**	**533.08**	**125.52**	**520.46**	**405,116.20**
Accumulated Depreciation:										
As at 01-04-2018	**-**	**15.44**	**11,564.75**	**9,425.55**	**131.39**	**180.10**	**116.79**	**51.35**	**87.34**	**21,572.71**
Depreciation charge for the year		28.57	6,279.06	6,582.86	332.94	82.22	85.40	17.44	67.91	13,476.40
Disposals/transfers		-	-	-	-	-	3.80	0.15	6.31	10.26
As at 31-03-2019	**-**	**44.01**	**17,843.81**	**16,008.41**	**464.33**	**262.32**	**198.39**	**68.64**	**148.94**	**35,038.85**
Depreciation charge for the year	-	28.57	7,675.58	7,428.86	388.27	77.16	85.49	16.72	70.16	15,770.81
Disposals/transfers	-	-	0.22	175.42	-	7.28	23.47	-	0.60	206.99
As at 31-03-2020	**-**	**72.58**	**25,519.17**	**23,261.85**	**852.60**	**332.20**	**260.41**	**85.36**	**218.50**	**50,602.67**
Net book value										
At at 31-03-2019	**20,565.16**	**13,375.21**	**146,478.54**	**102,105.83**	**8,267.08**	**346.99**	**273.00**	**38.35**	**353.13**	**291,803.28**
As at 31-03-2020	**21,492.01**	**13,346.64**	**156,667.24**	**144,199.53**	**17,854.61**	**338.71**	**272.69**	**40.16**	**301.96**	**354,513.53**

Notes:

1. Refer Note No. 23 for the details in respect of certain Tangible Assets hypothecated/mortgged as security for Borrowings.
2. Foreign exchange loss capitalised during the year was ₹19.82 lakhs (PY ₹515.63).
3. Borrowing cost capitalised during the year was ₹3,207.66 lakhs (PY ₹1,944.85 lakhs).
4. Port infrastructure assets of JSW Jaigarh Port Limited & JSW Paradip Terminal Private Limited are constructed on leasehold assets.
5. The title deeds of freehold land includes an amount aggregating to ₹1,232.16 lakhs in respect of transferror company pursuant to the scheme of merger is pending for transfer in the name of the holding Company (refer note 58).
6. JSW Paradip Terminal Private Limited had commenced commercial operations on 1st November, 2019 and capitalised Property, Plant and Equipment (PPE) amounting to ₹63,869.90 lakhs.

Note 4:- Right-of-Use Assets

(₹ in Lakhs)

Particulars	Buildings	Total
Cost:		
As at 1st April, 2019	**-**	**-**
Recognition on Initial application of Ind-AS 116 as at April 01, 2019 (refer Note No. 2.8)	10,679.37	10,679.37
Reclassified on the account of adoption of Ind AS 116	-	-
Additions	-	-
Disposals/transfers	-	-
Balance as at 31st March, 2020	**10,679.37**	**10,679.37**
Accumulated Depreciation:		
As at 1st April, 2019	-	-
Reclassified on the account of adoption of Ind AS 116	-	-
Depreciation charge for the year	818.24	818.24
Disposals/transfers	-	-
Balance as at 31st March, 2020	**818.24**	**818.24**
Net book value		
Balance as at 31st March, 2020	**9,861.13**	**9,861.13**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 1– Ind AS 116 - Leases, has become applicable effective annual reporting period beginning 1st April, 2019. The Group has adopted the standard beginning 1st April, 2019, using the modified retrospective approach for transitioning to Ind AS 116 with Right-of-Use Asset recognised at an amount equal to the Lease Liability adjusted for any prepayments/accruals recognised in the balance sheet immediately before the date of initial application. Accordingly, the Gruop has not restated the comparative information. This has resulted in recognising a "Right-of-Use Asset" of ₹10,679.37 lakhs, and a corresponding "Lease Liability" of ₹10,679.37 lakhs as at 1st April, 2019.

Note 2 – Total Right-of-use Assets recognised as on 1st April, 2019 of ₹10,679.37 represents increase in total assets.

Note 3 – Followings are the amounts recognised in Statement of Profit or Loss:

(₹ in Lakhs)

Particulars	Present value of payments
Depreciation expense of Right-of-Use Assets	818.24
Interest expense on Lease Liabilities	267.30
Rent expense – short-term leases and leases of low value assets	262.22
Total amounts recognised in Profit or Loss	**1,347.76**

Note 5:- Capital Work-in-Progress

Particulars	₹ in Lakhs
Balance as at 1st April, 2018	**62,228.01**
Additions	58,310.00
Disposals/transfers	34,596.34
Balance as at 31st March, 2019	**85,941.67**
Additions	4,098.66
Disposals/transfers	15,012.35
Balance as at 31st March, 2020	**75,027.98**

Notes:

1. Foreign exchange loss capitalised during the year was ₹12.62 lakhs (PY ₹229.99).
2. Borrowing cost capitalised during the year was ₹3,312.00 lakhs (PY ₹3,853.58 lakhs).

Note 6:- Other Intangible Assets

(₹ in Lakhs)

Particulars	Port infra structure rights			Computer Software	Total
	Buildings	Plant and Machinery	Furniture and fittings		
Cost:					
As at 01-04-2018	**13,851.44**	**32,058.61**	**35.57**	**377.15**	**46,322.75**
Additions	179.27	479.30	0.95	66.56	726.08
Disposals/transfers	3.15	128.05	-	-	131.20
As at 31-03-2019	**14,027.56**	**32,409.85**	**36.52**	**443.71**	**46,917.63**
Additions	-	276.99	-	2.75	279.74
Disposals/transfers	31.27	197.53	-	-	228.80
As at 31-03-2020	**13,996.29**	**32,489.31**	**36.52**	**446.46**	**46,968.57**
Accumulated amortisation:					
As at 01-04-2018	**2,941.26**	**6,380.99**	**12.54**	**272.66**	**9,607.42**
Amortisation charge for the year	981.68	2,558.84	3.73	40.30	3,584.55
Disposals/transfers	2.55	117.42	-	-	119.97
As at 31-03-2019	**3,920.39**	**8,822.40**	**16.26**	**312.96**	**13,072.00**
Amortisation charge for the year	1,069.35	2,573.05	3.59	53.16	3,699.15
Disposals/transfers	31.27	195.79	-	-	227.05
As at 31-03-2020	**4,958.47**	**11,199.67**	**19.86**	**366.12**	**16,544.10**
Net book value:					
As at 31-03-2019	**10,107.17**	**23,587.45**	**20.26**	**130.75**	**33,845.63**
As at 31-03-2020	**9,037.82**	**21,289.65**	**16.67**	**80.34**	**30,424.48**

Refer Note No. 39 for the details in respect of certain Intangible Assets hypothecated/mortgged as security for bank guarantee.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 7:- Intangible Assets Under Development

Particulars	₹ in Lakhs
Balance as at 1st April, 2018	**1,034.27**
Additions	367.24
Disposals/transfers	1,144.09
Balance as at 31st March, 2019	**257.42**
Additions	349.86
Disposals/transfers	477.75
Balance as at 31st March, 2020	**129.53**

Note 8:- Non-Current Financial Assets – Investments

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unquoted Zero Coupon Optionally Convertible Debenture (OCD) (At Amortised Cost)*		
JSW Sports Private Limited	30,900.00	-
(30,900 Debentures (31st March, 2019: NIL) of ₹1,00,000/- each)		
	30,900.00	**-**
Aggregate amount of unquoted Investment	30,900.00	-
Aggregate amount of impairment in the value of Investments	-	-

* Terms of Conversion: The OCD shall be redeemable at premium or shall be converted into equity shares on the basis of the following terms at the option of the issuer:

(a) Redemption:

On maturity the Issuer shall pay the OCD Holder the Face Value of ₹1,00,000/- along with Redemption Premium of ₹1,42,000/- for each OCD. Provided further that Issuer shall have the right to redeem the OCD any time during the Tenure, either in part or in full and in one or more tranches, by giving two days notice in writing, at face value along with accumulated premium computed @ 9.5% p.a. from the date of allotment till the date of redemption after adjusting the amount of TDS paid/payable for such number of OCD as it intends to redeem.

(b) Conversion:

Any time during the tenure of OCD, the Issuer may, by giving fifteen days prior notice, convert all or part of the outstanding OCD at face value along with accumulated premium computed @ 9.5% p.a. from the date of allotment till the date of conversion, after adjusting the amount of TDS paid/payable for such number of OCD as it intends to convert, into such number of equity shares as may be derived based on fair market value determined by an Independent Registered Valuer as per applicable regulations.

Note 9:- Non-Current Financial Assets – Loans

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good		
Loan to related party* (refer note 41)	152.00	152.00
Total	**152.00**	**152.00**
Note:		
Loans receivable considered good: Secured	-	-
Loans receivable considered good: Unsecured	152.00	152.00
Loans receivable which have significant increase in Credit Risk	-	-
Loans receivable – credit impaired	-	-
Loans and advances to other body corporate	-	-
Loans and advances to related parties	-	-
Total	**152.00**	**152.00**

* For business purpose

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 10:- Non-Current Financial Assets – Others

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered good		
Security Deposits	632.32	715.81
Fixed Deposits	130.00	-
Margin Money*	597.13	894.55
	1,359.45	**1,610.36**

* Margin Money deposits with a carrying amount of ₹597.13 (31st March, 2019: ₹894.55 lakhs) are subject to charge for securing the Group's Bank Guarantee facility.

Note 11:- Taxation

Income tax related to items charged or credited directly to Profit or Loss during the year:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Current Income Tax	5,471.17	7,325.09
Tax (credit) under Minimum Alternative Tax	(2,390.54)	(1,939.01)
Current Tax (a)	**3,080.63**	**5,386.08**
Relating to origination and reversal of temporary differences (b)	676.53	(4,198.35)
Total Expenses reported in the statement of Profit and Loss (a+b)	**3,757.16**	**1,187.73**

A reconciliation of income tax expense applicable to accounting Profit/(Loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Reconciliation:		
Profit before tax	**23,410.13**	**28,384.22**
Enacted tax rate in India	34.944%	34.944%
Expected income tax expense at statutory tax rate	8,180.44	9,918.58
Effect of different tax rates of subsidiaries	358.19	(628.48)
Expenses not deductible in determining taxable profits	5,869.35	13,531.51
Tax allowances and concession	(11,161.67)	(11,441.71)
Additional allowances for capital gain	503.72	46.84
Tax applicable at lower rate	388.99	-
80IA benefit	(1,058.39)	(6,038.88)
Income tax (credit) attributable to prior period	-	(1.77)
Temporary differences (Refer table below)*	676.53	(4,198.35)
Tax expense for the year	3,757.16	1,187.74
Effective income tax rate	16.05%	4.18%

Note 1 – The Group offsets deferred tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and relates to income taxes levied by the same tax authority.

Note 2 – The Group expects to utilise the MAT credit within a period of 15 years.

Note 3 – There are certain income-tax related legal proceedings which are pending against the Group. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 39).

Note 4 – Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ("Ordinance") issued by Ministry of Law and Justice (Legislative Department) on 20th September, 2019 effective from April 01, 2019, domestic companies have an option to pay Corporate income tax rate at 22% plus applicable surcharge and cess ("New tax rate") subject to certain conditions. The Group has made an assessment of the impact of the Ordinance and decided to continue with existing tax structure until utilisation of accumulated Minimum Alternate Tax (MAT) credit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 5 – Further, Ind AS 12 requires deferred tax assets and liabilities to be measured using the enacted (or substantively enacted) tax rates expected to apply to taxable income in the years in which the temporary differences are expected to reverse. The Group has made estimates, based on its budget, regarding income anticipated in the foreseeable future year when those temporary differences are expected to reverse and measured the same at New tax rate. Accordingly, the Group has re-measured the outstanding deferred tax balances that is expected to be reversed in future at New tax rate and an amount of ₹129.66 lakhs have been written back in the Statement of Profit and Loss during the current financial year.

The following table provides the details of income tax assets and income tax liabilities as of 31st March, 2020 and 31st March, 2019:

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Income Tax Assets	39,591.13	8,849.04
Income Tax Liabilities	28,006.28	5,353.99
	11,584.85	**3,495.05**

***Deferred Tax relates to the following:**

(₹ in Lakhs)

Particulars	Balance Sheet		Recognised in statement of profit or loss		Recognised in/reclassified from Other Comprehensive Income	
	As at 31st March, 2020	As at 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Expenses allowable on payment basis	(3.68)	32.72	(36.40)	(10.46)	-	-
Unused tax losses/depreciation	2,416.07	(608.38)	497.40	(224.74)	-	-
Other items giving rise to temporary differences	(11,313.58)	(11,213.95)	(99.62)	(307.36)	-	-
Accelerated depreciation for tax purposes	(200.99)	838.17	(1,039.16)	2,657.88	-	-
Fair valuation of property, plant and equipment (PP&E)	(5,036.61)	(5,037.88)	1.27	2,083.03	-	-
Income tax relating to items that will not be reclassified to profit or loss from OCI	(76.96)	10.47	-	-	(87.43)	10.47
Deferred tax asset/(liability)	**(14,215.74)**	**(15,978.85)**	**(676.51)**	**4,198.35**	**(87.43)**	**10.47**
Net (income)/expense			**(676.51)**	**4,198.35**	**(87.43)**	**10.47**

Reconciliation of deferred Tax Assets/(Liabilities) net:

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	(15,978.85)	(20,074.96)
Tax income/(expense) during the period recognised in profit or loss	(676.53)	4,198.35
Income tax relating to items that will not be reclassified to profit or loss from OCI	(87.43)	10.47
Recognised in retained earnings (refer note 58)	2,527.06	(112.71)
Balance at the end of the year	**(14,215.75)**	**(15,978.85)**

Movement in MAT Credit Entitlement

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	21,957.94	21,173.44
Add: MAT credit entitlement availed during the year	2,390.56	1,939.01
Less: MAT credit utilised during the year	(280.98)	(1,154.51)
Balance at the end of the year	**24,067.52**	**21,957.94**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 12:- Non-Current Assets – Others

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered good		
Capital Advances	8,906.66	19,814.36
Security Deposits with Government Authorities	262.69	110.24
	9,169.35	19,924.60

Note 13:- Inventories

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Inventories (At cost)		
Stores and Spares	12,515.34	7,585.28
	12,515.34	7,585.28

Notes:

1. Cost of Inventory recognised as an expenses for the year ended 31st March, 2020 ₹5,146.27 lakhs. (PY ₹3,507.85 lakhs).
2. 'The Group has recognised ₹57.54 lakhs (PY Nil) as expenses towards write down of value of Inventory.
3. Refer Note No. 23.1 for the details in respect of certain tangible assets hypothecated/mortgged as security for Borrowings.

Note 14:- Current Financial Assets – Investments

(₹ in Lakhs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Units	Amounts	Units	Amounts
Investments in mutual funds measured at Fair Value Through Profit and Loss (Quoted)				
Axis Liquid Fund – Growth	16,192.92	355.30	58,297.95	1,203.91
BNP Paribas	16,575.66	503.23	-	-
DSP Liquid Regular	21,340.10	602.25	-	-
Kotak Liquid Fund	-	-	18,709.00	705.83
Edelweiss Liquid Fund Regular – Growth	12,114.47	307.11	23,570.29	562.73
Mahindra Liquid Fund Regular – Growth	31,923.28	409.40	-	-
Tata Liquid Fund Regular – Growth	33,811.36	1,052.72	-	-
L&T Liquid Plan – Growth	24,090.75	653.03	-	-
Sundaram Money Regular – Growth	1,844,417.23	768.05	-	-
Nippon India Liquid Fund – Growth	10,662.44	514.20	-	-
JM Liqiud Fund	-	-	4,502,841.21	2,293.65
Adtiya Birla Sun Life Liquid Fund – Growth Regular Plan	-	-	796,588.33	2,381.84
Franklin India Liquid Fund – Super IP – Growth	3,390.30	100.71	123,922.05	3,455.15
Reliance Liquid Fund – Growth Plan	-	-	85,421.67	3,877.47
Mirae Asset Cash Management Fund – Growth	14,634.25	302.93	178,806.40	3,486.27
UTI Liquid Cash Plan – Reg – Growth	30,418.17	984.76	80,082.78	2,442.47
ICICI Prudential Liquid Fund – Growth	65,069.30	190.34	932,006.81	2,566.92
	2,124,640.24	6,744.03	6,800,246.507	22,976.24
Aggregate amount of Quoted Investments				
Book value		6,744.03		22,976.24
Market value		6,744.03		22,976.24

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 15:- Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade Receivables considered good – Secured		
Trade Receivables considered good – Unsecured	50,296.70	39,135.24
Trade Receivables which have significant increase in credit risk		
Less: Allowance for doubtful debts	(77.95)	(85.47)
Trade Receivable – credit impaired	-	-
Less: Allowance for doubtful debts	-	-
	50,218.75	**39,049.77**

Note 1 – Refer Note No. 23.1 for the details in respect of certain trade receivables hypothecated/mortgged as security for Borrowings.

Note 2 – Refer Note No. 41 for details of receivables from related parties.

Note 3 – No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

Note 4 – Trade Receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Aging of Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Within the credit period	24,219.40	19,031.21
31-60 days	8,370.89	5,624.33
61-90 days	5,492.25	2,750.50
91-180 days	10,134.73	5,485.38
181-365 days	1,538.51	5,659.64
More than 365 Days	540.92	584.18
	50,296.70	**39,135.24**

The credit period on rendering of services ranges from 1 to 30 days with or without security.

Note 16:- Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with Banks:		
In Current Accounts	2,002.23	2,637.25
In Term Deposits with maturity less than 3 months at inception	13,697.04	2,385.06
Cash on Hand	10.86	7.34
	15,710.13	**5,029.65**

Refer Note No. 23.1 for the details in respect of certain trade receivables hypothecated/mortgged as security for Borrowings

Note 17:- Bank Balances Other than Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
In Term Deposits with maturity more than 3 months but less than 12 months at inception	209.38	4,007.70
DSRA (debt service reserve account)	318.35	295.71
In Current & TRA accounts with Yes bank	22.88	843.30
	550.61	**5,146.71**

Term deposit includes deposit held as lien by bank against bank guarantee amounting to ₹10 lakhs (PY ₹535 lakhs).

DSRA represents FD created with Yes bank for debt servicing of JSW Dharamtar Port Private Limited.

Trust and Retention Account (TRA) is maintained as per TRA agreement between JSW Paradip Terminal Private Limited, Lenders and Paradip Port Trust.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 18:- Current Financial Assets – Loans

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered good		
Inter Corporate Deposits (Refer note 41)*	25,089.11	28,634.08
Loans to Others	2,000.00	2,000.00
Total	**27,089.11**	**30,634.08**
Note:		
Loans receivable considered good: Secured	-	-
Loans receivable considered good: Unsecured	27,089.11	30,634.08
Loans receivable which have significant increase in Credit Risk	-	-
Loans receivable – credit impaired	-	-
Loans and advances to other body corporate	-	-
Loans and advances to related parties	-	-
Total	**27,089.11**	**30,634.08**

* For business purpose

Note 19:- Current Financial Assets – Others

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered good		
Security Deposits*	24.81	33.05
Advances recoverable in cash or in kind or for value to be received (Refer note 41)	2,286.67	760.73
Interest receivables		
On Fixed Deposits	15.38	189.80
On Loans and Advances given to related parties (Refer note 41)	1,498.39	2,604.38
Receivable from Konkan Railway	2,325.90	-
Others	366.44	-
	6,517.59	**3,587.96**

* Security deposits represents various deposits given to rental, gas, telephone & other government deposits.

Note 20:- Other Current Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered good		
Advance to Suppliers	1,942.55	1,041.79
Other Advances*	1,960.43	790.46
Security Deposits	2.30	-
Prepayments	610.98	797.48
Unbilled Revenue	1,543.13	1,276.14
Government grant incentive income receivable (refer note 33)	1,794.73	849.78
Balance with Government Authorities	23,272.38	15,974.81
Indirects Tax Balances/ Receivables/ Credits	1,094.49	393.60
	32,220.99	**21,124.06**

* Other advances include advance amounting to ₹1,392.50 lakhs to be recovered from bank for moratorium facilities availed by the Group which has been subsequently been received.

* Other Advances includes advances to employees and other party.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 21:- Share Capital

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Authorised:				
Equity Shares of ₹10 each	1,033,285,150	103,328.52	71,000,000	7,100.00
Preference Shares of ₹10 each	80,000,000	8,000.00	80,000,000	8,000.00
	1,113,285,150	**111,328.52**	**151,000,000**	**15,100.00**
Issued, Subscribed and paid-up:				
Equity Shares of ₹10 each	60,709,992	6,071.00	60,709,992	6,071.00
Less: Treasury shares held under ESOP Trust (Refer note (a) below)	780,848	78.08	530,214	53.02
	59,929,144	**5,992.92**	**60,179,778**	**6,017.98**

Notes:

(a) Shares held under ESOP Trust

ESOP is the primary arrangement under which shared plan service incentive are provided to certain specified employees of the Company and it's subsidiaries in India. The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares.

For the details of shares reserved for issue under the Employee Stock Ownership Plan (ESOP) of the Group (refer note 51).

Movement in treasury shares

(₹ in Lakhs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Shares of ₹10/- each fully paid-up held under ESOP Trust	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balance at the beginning of the year	530,214	53.02	530,214	53.02
Movement during the year	250,634	25.06	-	-
Balance at the end of the year	**780,848**	**78.08**	**530,214**	**53.02**

(b) Reconciliation of the number of the shares outstanding at the beginning and at the end of the year:

Issued, Subscribed and paid up share capital	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balance at the beginning of the year	60,179,778	6,017.98	60,179,778	6,017.98
Share cancelled pursuant to business combination (Refer Note 58)	(59,928,860)	(5,992.89)	-	-
Share issued pursuant to business combination (Refer Note 58)	59,928,860	5,992.89	-	-
Movement in treasury shares during the year (refer note (a) above)	(250,634)	(25.06)	-	-
Balance at the end of the year	**59,929,144**	**5,992.92**	**60,179,778**	**6,017.98**

(c) Terms/rights attached to equity shares:

The Company has one class of share capital, i.e. equity shares having face value of ₹10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

(d) Shares held by Holding Company and fellow subsidiaries

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Sajjan Jindal Family Trust along with its nominee shareholders (held by Sajjan Jindal & Sangita Jindal as a Trustee)	56,504,513	565.05	-	-
JSW Infrastructure Fintrade Private Limited, the holding company along with its nominee shareholders	-	-	59,866,570	5,986.66
Nisarga Spaces Private Limited	-	-	31,145	3.11
Avani Spaces Private Limited	-	-	31,145	3.11

(e) Details shareholders holding more than 5 % shares in the Company:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
JSW Infrastructure Fintrade Private Limited, the Holding Company along with its nominee shareholders	-	-	59,866,570	598.67
Sajjan Jindal Family Trust along with its nominee shareholders (held by Sajjan Jindal & Sangita Jindal as a Trustee)	56,504,513	565.05	-	-

(f) There are no shares reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment.

(g) There are not bonus shares issued during the period of five years immediately preceding the reporting date.

Note 22:- Other Equity

(₹ in Lakhs)

Particulars	Retained Earnings	Securities Premium Reserve	Debenture Redemption Reserve	Share based Payment Reserve	Capital Reserve	FCMITDA	Total equity attributable to equity holders of the Company	Non-Controlling Interests	Total
Balance as at 01st April, 2019	**190,249.90**	**83,735.47**	**-**	**2,770.87**	**5,998.67**	**(6.40)**	**282,748.51**	**19,705.34**	**302,453.85**
Profit for the year	19,042.41	-	-	-	-	-	19,042.41	610.56	19,652.97
Transferred to/from Debenture Redemption Reserve	(12,200.00)	-	12,200.00	-	-	-	-	-	-
Share issue expenses of subsidiaries	(308.76)	-	-	-	-	-	(308.76)	-	(308.76)
Impact of business combination (Refer Note No. 58)	(3,183.26)	(51,562.60)	-	-	-	-	(54,745.86)	-	(54,745.86)
Recognition of Shared Based Payments	-	-	-	1,928.99	-	-	1,928.99	-	1,928.99
Changes in Foreign currency monetary item translation	-	-	-	-	-	182.08	182.08	-	182.08
Remeasurements Gain on Defined Benefit Plans (Net of Tax)	(18.68)	-	-	-	-	-	(18.68)	(5.86)	(24.53)
Balance as at 31st March, 2020	**193,581.61**	**32,172.87**	**12,200.00**	**4,699.86**	**5,998.67**	**175.68**	**248,828.69**	**20,310.04**	**269,138.74**

(₹ in Lakhs)

Particulars	Retained Earnings	Securities Premium Reserve	Debenture Redemption Reserve	Share based Payment Reserve	Capital Reserve	FCMITDA	Total equity attributable to equity holders of the Company	Non-Controlling Interests	Total
Balance as at 01st April, 2018	**163,605.79**	**83,735.47**	**-**	**1,952.58**	**5,998.67**	**(3.32)**	**255,289.19**	**19,182.53**	**274,471.71**
Profit for the year	26,672.44	-	-	-	-	-	26,672.44	524.05	27,196.50
Recognition of Shared Based Payments	-	-	-	818.29	-	-	818.29	-	818.29
Changes in Foreign currency monetary item translation	-	-	-	-	-	(3.08)	(3.08)	-	(3.08)
Remeasurements Gain on Defined Benefit Plans (Net of Tax)	(28.33)	-	-	-	-	-	(28.33)	(1.24)	(29.58)
Balance as at 31st March, 2019	**190,249.90**	**83,735.47**	**-**	**2,770.87**	**5,998.67**	**(6.40)**	**282,748.51**	**19,705.34**	**302,453.84**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Nature and purpose of reserves:

(1) Retained Earnings:
Retained earnings are the profits that Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings are free reserves available to the Group.

(2) Security Premium Account:
Security premium account is created when shares are issued at premium. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

(3) Debenture Redemption Reserve:
Debenture Redemption reserve was created for redemption of debentures.

(4) Share Based Payments Reserve:
For details of shares reserved under employee stock option (ESOP) of the Group. (refer note 51)

(5) Capital Reserve:
Forfeiture of equity share warrant on account of option not exercised by the warrant holders.

(6) Foreign Currency Monetary Item Translation Difference Account:
Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Currency Units) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

(7) Items of Other Comprehensive Income:
Remeasurement of Net Defined Benefit Plans: Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans are recognised in 'Other Comprehensive Income' and subsequently not reclassified to the statement of Profit and Loss.

Note 23:- Non-Current Financial Liabilities-Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-Current	Current	Non-Current	Current
Term loan				
Secured	234,687.08	5,939.71	192,181.20	3,812.13
Unsecured	-	11,113.39	10,188.37	1,306.20
Debentures	27,120.00	21,680.00	-	-
Less: Unamortised upfront fees on Borrowing	(2,009.18)	(147.25)	(2,357.51)	(46.40)
	259,797.90	**38,585.85**	**200,012.06**	**5,071.93**
Loan from related party (Unsecured) (refer Note No. 41)	1,322.80	-	-	-
Less: Current Maturity of long-term debt clubbed under other Financial Liabilities (Refer Note No. 29)	-	(38,585.85)	-	(5,071.93)
	261,120.70	**-**	**200,012.06**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 23.1:- Nature of security and terms of repayment

(₹ in Lakhs)

Lender	As at 31st March, 2020		As at 31st March, 2019		Rate of interest		Nature of security	Repayment terms
	Non-Current	Current	Non-Current	Current	As at 31st March, 2020	As at 31st March, 2019		
Rupee Term Loans From Banks (Secured)								
Consortium Loan (Leading Bank is Axis Bank)*	5,713.14	482.50	25,390.30	505.00	One Year MCLR + 0.25%	One Year MCLR + 0.25%	First *pari pasu* charge on JSW JPL's all present and future assets	Repayable in quarterly instalments from June 2018 to June 2030
FCTL Loan (Leading Bank is Axis Bank)	27,165.27	1,039.11	25,234.10	544.83	One Month Libor + 340 BPS	One Month Libor + 340 BPS		
South Indian Bank*	9,150.00	400.00	9,501.73	193.91	One Month MCLR in line with the Axis Bank + 0.05%	One Month MCLR in line with the Axis Bank + 0.05%		
Bank of India	27,450.00	1,050.00	28,518.00	582.00	One Year MCLR in line with the Axis Bank + 0.25%	One Year MCLR in line with the Axis Bank + 0.25%		
Exim Bank FCTL - 1*	20,749.97	678.47	30,506.56	933.81	Libor 6 Month rate + 285 BPS	Libor 6 Month rate + 285 BPS		
Exim Bank FCTL - 2*	31,124.95	1,017.71	18,259.21	622.54	Libor 6 Month rate + 285 BPS	Libor 6 Month rate + 285 BPS		
Union Bank of India*	18,713.08	820.00	-	-	1 Year MCLR + 80 BPS, in line with Axis Bank	-	First *pari pasu* charge on company's all present and future assets (except 85 acres land to be handed over to HEGPL)	
Debenture issued to Credit Suisse AG Singapore Branch**	13,560.00	10,840.00	-	-	Zero rated, redeemable with premium @ 11% IRR		The debentures are secured by the pledge of equity shares of JSW Steel Limited and JSW Energy Limited under the Pledge Agreement dated 16th December, 2019 between Debenture trustee & pldegers (refer note 41)	₹13,560 lakhs are redeemable on 5th March, 2021 and ₹10,840 lakhs are redeemable on 4th March, 2022
Debenture issued to DB International Asia Ltd.**	13,560.00	10,840.00	-	-	Zero rated, redeemable with premium @ 11% IRR			₹13,560 lakhs are redeemable on 5th March, 2021 and ₹10,840 lakhs are redeemable on 4th March, 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

(₹ in Lakhs)

Lender	As at 31st March, 2020		As at 31st March, 2019		Rate of interest		Nature of security	Repayment terms
	Non-Current	Current	Non-Current	Current	As at 31st March, 2020	As at 31st March, 2019		
Consortium Loan (Leading Bank is Yes Bank)	5,914.73	451.92	6,516.85	273.15	Floating 10.35%	Floating 10.35%	First *pari-passu* charge on entire moveable and immoveable fixed assets, current assets, receivables and proceeds both present and future including those of Project of DPPL.	Repayable in quarterly instalments, from December 2018 to June 2031
Ratnakar Bank	3,900.00	-	3,743.11	156.89	Floating 10.35%	Floating 10.30%	Charge over all assets of JSW Dharamtar Port subject to a minimum of 1.2X	This loan is repayable door to door i.e. bullet repayment at the end of 10 years from the date of loan 15 October, or one quarter from payment of senior lender whichever is earlier
Consortium Loan (Lead Bank is Yes Bank)	43,892.35	-	25,059.52	-	Floating 10.40%	Floating 10.35%	First *pari pasu* charge on PTPL's all present and future assets	Quarterly repayment starts in December 2021 and ends in September 2031
EXIM Bank	40,913.59	-	19,451.82	-	LTMR + 45 Basis Point	LTMR + 45 Basis Point	First *pari pasu* charge on PTPLEQ's all present and future assets	Quarterly repayment starts in June 2023 and ends in March 2035
Rupee Term Loans From Banks (Unsecured)								
Consortium Loan - FCTL (Leading Bank is Yes Bank)*	-	11,113.39	10,188.38	681.20	3 months LIBOR plus 300 bps	3 months LIBOR plus 300 bps	Unsecured	Repayable in quarterly instalments, from March 2019 to February 2021
Yes Bank	-	-	-	625.00	1 Year MCRL of Yes Bank.	1 Year MCRL of Yes Bank.	Unsecured, Priority sector lending	Repayable in quarterly instalments, started from Mar-2016 to Sept-2019
From Related party								
JSW Techno Projects Management Limited	850.00		-	-	11%		Unsecured	Payable on 1st April, 2022
Sahyog Holdings Private Limited	472.80		-	-	11%		Unsecured	Payable on 19th November, 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

(₹ in Lakhs)

Lender	As at 31st March, 2020		As at 31st March, 2019		Rate of interest		Nature of security	Repayment terms
	Non-Current	Current	Non-Current	Current	As at 31st March, 2020	As at 31st March, 2019		
Short-Term Borrowings (unsecured)								
Bank Overdraft (ICICI Bank)	-	502.52	-	-	6 Months MCLR of ICICI Bank + 125 BPS		Unsecured	Repayable on demand
Buyers Credit	-	8,141.60	-	-	Libor 1.98% + margin USD 90,629.16		Unsecured	180 Days to 360 days from discounting date
Bank Overdraft	-	1,906.78	-	-	6M MCLR Rate + 1.2%		Unsecured	Repayable on demand
	263,129.88	49,284.00	202,369.58	5,118.33				

* Loan Moratorium - Relates to term loans in respect of which the Group has opted to avail moratorium on payment of all instalments (principal and interest component) falling due between 1st March, 2020 to 31st May, 2020, from respective banks on account of COVID-19 under the RBI guidelines and accordingly, interest accrued as on 31st March, 2020 is payable after completion of moratorium period

** Shares of JSW Steel Limited and JSW Energy Limited are pledged against Debentures by Vividh Finvest Pvt. Ltd., JSW Investment Pvt. Ltd., Indusglobe Multiservices Pvt. Ltd., JSW Holdings Limited and Sahyog Holding Pvt. Ltd. (refer note 41)

Note 24:- Non-Current Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security Deposits	2,253.79	2,077.07
Retention money for capital projects	6,469.96	5,256.39
Accrued premium on Non-Convertible Debentures	810.33	-
Lease Liabilities (refer Note No. 2.8)	8,847.69	-
	18,381.77	7,333.46

Note 1 – The Group has adopted Ind-AS 116 beginning 1st April, 2019 which has resulted in recognising a "Lease Liability" of ₹10,679.37 lakhs as at 1st April, 2019.

During the year Group has recognised ₹267.39 lakhs as finance charge on lease and has paid ₹1,455.04 as lease rent. At the end of the year Group has reported total lease liability of ₹9,491.72 lakhs, out of which Non-Current Lease Liability is ₹8,847.69 lakhs and Current Lease Liability is ₹644.03 lakhs.

Note 2 –

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

(₹ in Lakhs)

Particulars	Amount
Operating lease commitments as at 31st March, 2019	21,136.41
Weighted average incremental borrowing rate as at April 01, 2019	9.25%
Discounted operating lease commitments at April 01, 2019	10,679.37
Add: Commitments relating to leases previously classified as finance leases	-
Lease Liabilities as at April 01, 2019	10,679.37

Note 3 – Total Lease Liabilities recognised as on 1st April, 2019 of ₹10,679.37 represents increase in total liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 4 – The minimum lease rentals as at 31st March, 2020 and the present value as at 31st March, 2020 of minimum lease payments in respect of right of use assets acquired under leases are as follows:

(₹ in Lakhs)

Particulars	Minimum payments	Present value of payments
Not Later than 1 year	1,174.12	1,054.92
Later than 1 year and not later than 5 years	5,071.23	3,660.89
Later than 5 years	13,764.75	4,529.77
Total minimum lease payment	**20,010.10**	**9,245.58**
Less: Amounts representing finance charges	(10,764.52)	-
Present value of minimum lease receivables	**9,245.58**	**9,245.58**

Note 25:- Non-Current Provisons

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee Benefits		
Gratuity (refer note 48)	115.06	52.54
Compensated Absences (refer note 48)	367.23	318.63
	482.29	**371.17**

Note 26:- Non-Current Liabilities – Others

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital advances received	19,992.01	-
Deferred Income	19.05	27.51
Export obligation deferred income*	9,614.55	10,137.85
	29,625.61	**10,165.36**

* Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments accounted for as government grant and being amortised over the useful life of such assets. On fulfillment of export obligation it is accounted for as Revenue.

Note 27:- Current Financial Liabilities – Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured:		
From banks (refer note 23.1)		
Buyers Credit	8,141.60	-
Working Capital Loan	2,409.30	-
	10,550.90	**-**

Note 28:- Current Financial Liabilities – Trade Payables

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total outstanding, due of Micro and Small Enterprises (refer Note No. 28.1)	51.02	49.71
Total outstanding, due of creditors other than Micro and Small Enterprises		
Other than Acceptance (for related parties, Refer Note 41)	7,935.71	673.21
	7,986.73	**722.92**

Payables are normally settled within 1 to 180 days

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 28.1:- Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
Principal Amount due to Micro and Small Enterprises	51.02	49.71
Interest due on above	-	-
	51.02	**49.71**

Note 29:- Current – Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current maturities of Long-Term Borrowings (refer Note No. 23.1)	38,585.85	5,071.93
Interest accrued but not due on Borrowing including related party (refer Note No. 41)	1,131.96	472.84
Premiun on Redemption on Debenture	665.50	-
Payables for capital projects		
Acceptance *	-	11,012.54
Other than acceptance	8,885.39	5,672.50
Lease Liabilities (refer Note No. 2.8 & 24)	644.03	-
Retention Money	2,171.96	1,832.17
Security Deposit	2,679.69	2,568.10
Employee dues	894.45	875.69
Other Payables**	12,475.75	11,534.81
	68,134.58	**39,040.58**

* Acceptances include credit availed by the Group from Banks for payment to suppliers for capital items. The arrangements are interest-bearing and are payable within one year.

** Others include payment to vendors, consultants etc.

Note 30:- Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advances from customers	517.23	10,394.15
Statutory Liabilities	760.37	764.53
Export obligation deferred income*	810.33	810.33
	2,087.93	**11,969.01**

* Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments accounted for as government grant and being amortised over the useful life of such assets. On fulfillment of export obligation it is accounted for as Revenue.

Note 31:- Current Provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee Benefits		
Gratuity (refer note 48)	26.35	25.66
Compensated Absences (refer note 48)	38.77	30.81
	65.13	**56.48**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 32:- Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income from contracts with customers		
Port Dues	1,912.47	2,072.89
Pilotage & Tug hire	2,699.94	3,060.54
Berth Hire Charges	13,202.23	13,236.91
Cargo Handling Income	76,057.56	70,051.64
Wharfage Income	3,039.07	4,270.07
Dust Suppression	140.64	219.67
Storage Income	3,298.84	4,556.08
Cap dredging Income	5,052.71	5,559.07
Grabs Transportation Charges	24.85	40.81
Other Port Service income	320.37	121.56
Paradip railway project Income	3,014.55	-
Other Operating Income	5,551.30	4,836.78
	114,314.53	**108,026.02**

Revenue recognised from Contract liability (Advances from Customers)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Trade Receivable (Gross) (Refer Note. No. 15)	50,296.70	39,135.24
Contract Liabilities		
Closing Balance of Contract Liability (Refer Note No. 30)	**517.23**	**10,394.15**

The contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended 31st March, 2020.

Note 33:- Other Income

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest Income earned on financial assets that are not designated as FVTPL		
Loan to Related Parties	3,231.88	2,530.29
On Bank Deposits	481.55	786.12
Other Interest Income	858.78	3,036.48
Gain on sale of Current Investments designated as FVTPL	1,232.30	816.91
Fair Valuation Gain arising from Financials Instrumenst designated at FVTPL	48.42	255.87
Exchange gain (net)	1.07	100.70
Sale of scrap	101.44	115.51
Government grant income		
Government grant incentive income (SEIS)(refer note 2.7)*	1,143.94	836.11
Export obligation deferred income amortisation (refer note 30)	857.11	810.33
Gain on sale of Property, Plant, Equipment and Intangible Assets	19.05	-
Miscellaneous Income	1,446.53	844.99
	9,422.07	**10,133.31**

* Service Export Incentive Scheme (SEIS)

The Government with a view to incentivise the service exports introduced the Service Export Incentive Scheme (SEIS) in Foreign Trade Policy for 2015-20. The scheme covers services provided from India to any other country and services provided to the foreign consumer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

NOTE 34:- Operating Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Cargo handling expenses	15,927.60	15,680.06
Tug and pilotage charges	668.18	514.80
Stores & spares consumed	1,195.06	879.18
Power & fuel	3,565.99	3,806.09
Maintenance Dredging charges	1,424.80	1,240.32
Repair & Maintenance		
Plant & Machinery	67.02	124.69
Buildings	2,968.16	2,990.23
Fees to Regulatory Authorities	6,242.54	5,994.79
Other operating expenses	1,377.39	1,420.85
Barge Mooring – Unmooring	135.36	136.63
Labour charges	108.78	65.59
Payloader hiring	851.61	941.61
Stevedoring & Waterfront charges	11.54	0.68
	34,544.03	**33,795.52**

Note 35:- Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries, Wages and Bonus	4,885.36	4,606.92
Contributions to provident and other Fund	239.69	242.51
Gratuity & Leave encashment expense (Refer note 48)	152.65	45.07
ESOP expenses (refer note 22(4) & 51)	1,866.54	736.42
Staff welfare expenses	322.34	331.31
	7,466.58	**5,962.23**

Note 36:- Finance Costs

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest on:		
Interest on Loans	9,309.24	5,171.68
Premium on Debentures	1,620.48	-
Interest on Lease Liabilities (Refer Note 24)	267.39	-
Exchange differences regarded as an adjustment to borrowing costs	7,921.52	6,392.64
Other finance costs	8,627.20	6,149.33
	27,745.83	**17,713.65**

Note 37:- Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Depreciation on Tangible Assets	15,668.31	13,444.96
Depreciation on Right of Use Assets (Refer note 3)	818.24	-
Amortisation on Intangible Assets	3,699.18	3,613.88
	20,185.73	**17,058.84**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 38:- Other Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rent, rates & taxes	514.13	574.55
Advertisement	121.65	96.76
Directors sitting fees	43.22	43.23
Remuneration to auditors (Refer note 40)	50.61	45.99
Legal, professional & consultancy charges	714.73	768.12
Insurance	908.27	695.61
House keeping and horticulture expenses	65.98	61.91
Vehicle hiring & maintenance	364.16	287.43
Security charges	387.42	302.23
CSR expenses (Refer note 47)	716.63	710.43
Loss on sale of property, plant, equipment and other intangible assets (net)	-	12.42
Travelling expenses	265.78	243.59
General office expenses and overheads	1,494.64	1,166.03
Business support services	1,295.02	1,175.79
Foreign exchange loss (net)	-	65.87
Paradip railway project expenses	3,019.16	780.21
Others	422.90	24.03
	10,384.30	**7,054.20**

Note 39:- Contingent Liabilities and Commitments

A. Contingent Liabilities: (to the extent not provided for)

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Bank Guarantee given to:		
Mormugao Port Trust	-	125.92
Customs	1,696.51	2,236.14
Customs for bonded storage facility	400.00	400.00
Goa State Pollution Control Board	100.00	105.00
Paradip Port Trust	10,091.00	10,091.00
Electricity Dept	121.75	121.75
Konkan Railway Corporation Limited	-	2,325.90
Port of Fujairah	1,309.70	1,309.70
Maharashtra Maritime Board	1,217.57	1,039.12
For bank facilities	4,100.00	-
Maharashtra Pollution Control Board	107.00	80.00
Disputed income tax liability in respect of:		
AY 2008-09	87.70	60.54
AY 2010-11	-	-
AY 2011-12	105.83	105.83
AY 2012-13	54.65	54.62
AY 2013-14	431.10	431.10
AY 2014-15	1.95	1.95
AY 2015-16	8.23	8.23
AY 2017-18	12.16	12.16
Letter of Credit	1,111.18	3,815.36
Demand raised by Mormugao Port Trust towards capital dredging of an approach channnel at Berth No. 5A & 6A	-	846.20
Dispute with Mormugao Port Trust regarding Cargo Handling Labour Department (CHLD)	608.00	608.00
Excise duty/ Customs duty/ Service tax liability that may arise in respect of matters in appeal	5,472.96	6,678.57

Notes:

(a) The Group does not expect any reimbursement in respect of the above contingent liabilities.

(b) The disputed demand outstanding up to the said Assessment Year is ₹701.63 lakhs (31st March, 2019 ₹674.43 lakhs). Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the group has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly, no provision has been made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

B. Commitments: (net of advances)

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	47,475.55	94,257.92
Other commitments		
The Group has imported capital goods under the export promotion capital goods scheme to utilise the benefit of zero or concessional custom duty rate. These benefits are subject to future exports. Such export obligations at year end aggregate to	40,664.99	54,769.94

Group has fulfilled export obligation of ₹84,814.28 lakhs till 31st March, 2020.

Note 40:- Payment to Statutory Auditors (Exclusive of GST)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Statutory Audit fees	44.92	40.24
Tax Audit fees	1.70	1.55
Out of Pocket expenses	1.09	1.63
Others	2.90	2.57
	50.61	**45.99**

Note 41:- Disclosures as Required by Indian Accounting Standard (Ind AS) 24 Related Party Disclosures

(a) List of Related Parties

Name	Nature of Relation
Sajjan Jindal Family Trust	Holding Entity
JSW Steel Limited	Others
JSW Infrastructure Employees Welfare Trust	Others
South West Employee Welfare Trust	Others
JSW Jaigarh Employee Welfare Trust	Others
JSW IP Holdings Private Limited	Others
JSW Holdings Private Limited	Others
Amba River Coal Limited	Others
JSW Steel Coated Limited	Others
JSW Cement Limited	Others
Art India Publishing Company Pvt. Limited	Others
JSW Coated Limited	Others
JSW Projects Limited	Others
JSW Energy Limted	Others
JSW Foundation	Others
Realcom Realty Private Limited	Others
JSW Sports Limited	Others
JSW Techno Projects Management Limited	Others
Vividh Finvest Private Limited	Others
JSW Investments Private Limited	Others
Indusglobe Multiventures Private Limited	Others
Sahyog Holdings Private Limited	Others
JSW Global Business Solutions Limited	Others
JSW Severfield Structures Limited	Others
JSW Steel (Salav) Ltd.	Others

Key Managerial Personnel

Name	Nature of Relation
Capt. BVJK Sharma*	JMD & CEO
Arun Maheshwari	JMD & CEO
Lalit Singhvi	Director & CFO
Gazal Qureshi	Company Secretary

Capt. BVJK Sharma resigned on 17th April, 2019 and Mr. Arun Sitaram Maheshwari appointed as JMD & CEO w.e.f. 18th April, 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

(b) The following transactions were carried out with the related parties in the ordinary course of business:

(₹ in Lakhs)

Nature of transaction/relationship	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Purchase of goods and services		
JSW Steel Limited	754.03	917.05
JSW Cement Limited	15.66	-
JSW Steel Coated Product Limited	24.39	410.03
JSW Severfield Structures Ltd.	3,172.12	5,057.66
JSW Foundation	191.40	3.45
JSW IP Holding Limited	261.47	119.76
Total	**4,419.07**	**6,507.95**
Purchase of Capital goods		
JSW Steel Limited	94.78	21.86
JSW Steel Coated Products Limited	-	63.89
JSW Cement Limited	73.96	1.06
Total	**168.74**	**86.81**
Sales of goods and services		
JSW Ispat Steel Limited	-	-
JSW Cement Limited	434.48	602.08
JSW Coated Products Limited	-	-
JSW Energy Limited	14,950.71	15,090.22
JSW Steel (Salav) Ltd.	-	256.43
Dolvi Coke Project Limited	-	422.02
Amba River coke Limited	8,525.65	13,617.58
JSW Steel Limited	44,649.08	45,739.26
Total	**68,559.92**	**75,727.59**
Capital advance received		
JSW Steel Limited	19,992.00	-
Total	**19,992.00**	**-**
Pledge Fees		
Vividh Finvest Private Limited	31.30	
JSW Investments Private Limited	24.92	
Indusglobe Multiventures Private Limited	313.08	
Total	**369.30**	**-**
Interest Expenses		
JSW Techno Projects Management Limited	93.50	
Sahyog Holdings Private Limited	43.92	
Total	**137.42**	**-**
Interest Income		
JSW Global Business Solutions	16.77	88.07
JSW Investments Pvt. Ltd.	7.20	
JSW Sports Private Limited	2,701.38	2,374.61
JSW Projects Limited	61.64	-
Realcom Realty Private Limited	268.20	152.26
Total	**3,055.19**	**2,614.94**
Loans given		
JSW Infrastructure Employees Welfare Trust	1,550.00	-
JSW Projects Limited	20,000.00	-
Total	**21,550.00**	**-**
Payment of salaries, commission and perquisites to Key Management Personnel		
Capt. BVJK Sharma	256.27	373.99
Mr. Arun Maheshwari	275.14	
Mr. Lalit Singhvi	171.31	142.65
Ms Gazal Qureshi	23.04	20.21
Total	**725.76**	**536.85**
Reimbursement of expenses incurred by our behalf		
JSW Steel Limited	83.27	61.06
JSW Foundation (CSR expenses)	389.09	
JSW Energy Limited	34.70	-
Total	**507.06**	**61.06**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

(₹ in Lakhs)

Nature of transaction/relationship	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Recovery of expenses incurred by us on their behalf		
Nisarga Spaces Pvt. Limited (refer note 58)	-	0.31
Avani Space Pvt. Limited (refer note 58)	-	19.12
JSW Infrastructure Employees Welfare Trust	1.05	1.37
South West Port Employees Welfare Trust	0.40	1.94
JSW Jaigarh Port Employee Welfare Trust	-	0.55
West Waves Maritime And Allied Services Private Limited	-	0.22
Total	**1.45**	**23.51**

(c) Amount due to/from related parties

(₹ in Lakhs)

Nature of transaction/relationship	As at 31st March, 2020	As at 31st March, 2019
Accounts receivable		
JSW Cement Limited	621.22	598.20
JSW Steel Limited	26,455.75	15,889.83
JSW Steel Coated Product Limited	40.46	44.84
JSW Energy Limited	4,538.79	5,785.47
JSW IP Holding Limited	1.91	-
Dolvi Coke Project Limited	-	2.59
Amba River coke Limited	3,711.56	1,324.45
JSW Steel (Salav) Ltd.	-	37.57
Total	**35,369.69**	**23,682.95**
Accounts Payable		
JSW Cement Limited	67.71	9.69
JSW Severfield Structures Ltd.	576.72	103.06
JSW Steel Limited	1,672.70	1,019.23
JSW GLOBAL BUSINESS SOLUTIONS LIMIT	8.61	-
JSW Steel Coated Product Limited	-	(27.02)
JSW Foundation	209.26	-
JSW IP Holding Limited	6.47	-
Total	**2,541.47**	**1,104.96**
Loans given		
JSW Infrastructure Employees Welfare Trust	1,975.58	425.90
South West Employees Welfare Trust	375.58	375.58
JSW Jaigarh Port Employee Welfare Trusts	12.52	12.52
JSW Sports Limited	-	27,500.00
JSW Global Business Solutions Private Limited	152.00	152.00
JSW Projects Ltd.	20,000.00	-
JSW Investments Pvt. Ltd.	72.00	
Realcom Reality Pvt. Ltd.	5,035.27	2,500.00
Total	**27,622.95**	**30,966.00**
Other advances receivables		
JSW Steel Coated Products Ltd.	0.20	0.20
JSW Steel (SALAV) Ltd.	0.22	0.22
JSW Severfield Structures Ltd.	-	1,550.49
Nisarga Spaces Pvt. Limited (refer note 58)	-	0.94
Avani Space Pvt. Limited (refer note 58)	-	5.17
West Waves Maritime and Allied Services Private Limited	-	0.77
Total	**0.42**	**1,557.79**
Capital advance received		
JSW Steel Limited	19,992.00	
Total	**19,992.00**	**-**
Loans and Advances Payables		
JSW Techno Projects Management Limited	850.00	-
Sahyog Holdings Private Limited	472.80	-
Total	**1,322.80**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

(₹ in Lakhs)

Nature of transaction/relationship	As at 31st March, 2020	As at 31st March, 2019
Interest receivable		
JSW Projects Ltd.	55.47	-
JSW Investments Pvt. Ltd.	6.48	-
JSW Global Business Solutions Limited	29.19	14.10
JSW Sports Private Limited	204.59	2,137.14
Realcom Reality Pvt. Ltd.	691.38	450.00
Total	**987.11**	**2,601.24**
Interest Payable		
JSW Techno Projects Management Limited	99.85	-
Sahyog Holdings Private Limited	42.54	-
Total	**142.39**	**-**
Recovery on account of Expenses		
JSW Infrastructure Employees Welfare Trust	26.05	23.64
JSW Jaigarh Employee Welfare Trust	0.77	2.01
South West Employee Welafre Trust'	3.41	0.22
Total	**30.23**	**25.87**
Optional Convertible Debenture (Unquoted)		
JSW Sports Limited	30,900.00	-
Total	**30,900.00**	**-**
Collateral Received		
Colleteral Received from Other related parties (Refer Note below *)	48,800.00	-
Total	**48,800.00**	**-**
Other Payables		
Vividh Finvest Private Limited	33.80	-
JSW Investments Private Limited	26.92	-
Indusglobe Multiventures Private Limited	19.04	-
Total	**79.76**	**-**
Security Deposit Received for Assets, Material and Services		
JSW Energy Limited	5,350.00	5,350.00
Total	**5,350.00**	**5,350.00**
Capital Advances Given		
Nisarga Spaces Pvt. Limited (refer note 58)	-	318.20
Total	**-**	**318.20**

*** Shares of JSW Steel Limited and JSW Energy Limited are pledged as follows: (Refer Note 23)**

(₹ in Lakhs)

Particulars	Shares of Company	No. of Shares
Vividh Finvest Private Limited	JSW Steel Limited	28,624,000
JSW Investments Private Limited	JSW Energy Limited	16,025,000
Indusglobe Multiventures Private Limited	JSW Energy Limited	23,265,000
JSW Holdings Limited	JSW Steel Limited	25,000,000
Sahyog Holdings Private Limited	JSW Steel Limited	6,420,000
Total		**99,334,000**

(d) Compensation of key managerial personnel of the Group

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Short-term employee benefits*	725.76	536.85
Total compensation paid to key managerial personnel	**725.76**	**536.85**

* As the future liability of the gratuity is provided on actuarial basis for the group as a whole, the amount pertaining to individual is not ascertainable and therefore not included above

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

The remuneration include perquisite value of ESOPs in the year it is exercised ₹ NIL (PY ₹ NIL). The Group has recognised an expense of ₹102.54 lakhs (P.Y ₹95.12 lakhs) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Terms and Conditions

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31st March, 2020, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

Loans to related parties:

The Group had given loans to related parties for business requirement. The loan balances as at 31st March, 2020 was ₹27,623.04 lakhs (As on 31st March, 2019 was ₹30,966.10 lakhs). These loans are unsecured in nature.

(a) Loan to Group companies: The tenure of the loan is one year from the date of disbursement and interest rate is SBI MCLR + 175 BPS.

(b) Loans to employee welfare trusts: these loans are given as interest free.

Optional Convertible Debenture (Unquoted)

Optional Convertible Debenture of JSW Sports Private Limited are at IRR of 9.5%.

Loans from related parties:

The Group had taken loans from related parties for business requirement. The loan balances as at 31st March, 2020 was ₹1,322.80 lakhs (As on 31st March, 2019 was Nil). These loans are unsecured in nature.

Pledge fee:

Pledge fee is charges on pledge created on shares of JSW Steel & JSW Energy for debenture issued by holding company.

Lease Rent Paid:

The Group has paid lease rental on building taken on operating lease.

Interest income:

Interest is accrued on loan given to related party as per terms of agreement.

Interest expnese:

Interest is charges on loan from related party as per terms of agreement.

Note 42:- Pre-Operative Expenses during the Year

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Insurance charges	103.80	350.20
Employee benefits expenses	762.93	1,513.29
Legal and professional charges	414.39	770.02
Interest on long-term borrowings	6,519.66	5,798.43
Survey & feasibility study	18.79	21.34
Design & consultancy	3.84	111.48
Bank guarantee	-	17.17
Travelling expenses	11.59	33.82
Concessional Licence fees	222.12	369.60
Others	190.41	63.02
	8,247.53	9,048.37

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 43:-Imported and Indigenous Raw Materials, Components and Spare Parts Consumed

(₹ in Lakhs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	% of total consumptions	Value	% of total consumptions	Value
Spare parts				
Imported	4.78	393.31	3.82	425.58
Indigenous	95.22	7,841.58	96.18	10,729.82
	100.00	8,234.89	100.00	11,155.40

Note 44:-Value of Imports Calculated on CIF Basis

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Components and spare parts	682.31	214.59
Capital goods	19,188.61	10,492.21
	19,870.92	10,706.80

Note 45: Expenditure in Foreign Currency (Accrual Basis)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue spares	682.31	214.59
Capital goods	19,188.61	10,492.21
Travelling Expenses	26.31	48.23
Interest on Buyers Credit	586.46	959.03
	20,483.69	11,714.06

Note 46: Earnings in Foreign Currency

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Berth hire income (Gross)	11,288.12	12,471.41
Pilotage (Gross)	2,699.94	3,060.54
Port Dues (Gross)	1,912.47	2,072.89
	15,900.53	17,604.84

Note 47:- Corporate Social Responsibility (CSR)

Details of amount required to be spent and amount spent during the year by the Group:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
	In-Cash	Yet to be paid in Cash	In-Cash	Yet to be paid in Cash
(a) Gross amount required to be spend by the Group during the year	716.08	-	710.43	-
(b) Amount spend on:				
(i) Construction/acquisition of assets	37.81	64.17	55.58	39.34
(ii) On purposes other than (i) above (for CSR projects)	429.97	184.68	555.57	59.94

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 48:- Disclosures as Required by Indian Accounting Standard (Ind AS) 19 Employee Benefits

(a) Defined contribution plans: Amount of ₹226.26 lakhs (Previous year ₹212.12 lakhs) is recognised as an expense and included in Employee benefits expense as under:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
JSW Infrastructure Limited	75.77	73.19
JSW Jaigarh Port Limited	58.88	62.20
South West Port Limited	38.82	37.96
Dharamtar Port Private Limited	31.03	24.62
Jaigarh Digni Rail Limited	(0.73)	(0.73)
JSW Paradip Terminal Private Limited	22.49	14.88
	226.26	212.12

(b) Defined benefit plans:

Gratuity (Funded):

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

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

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

Investment Risk:

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

Interest Risk:

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

Longevity risk:

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

Salary risk:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

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

(₹ in Lakhs)

Particulars	Gratuity	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	(Funded)	(Funded)
Change in present value of defined benefit obligation during the year		
Present Value of defined benefit obligation at the beginning of the year	470.87	349.65
Interest cost	36.65	27.24
Current service cost	68.37	59.95
Liability transfer from other Group	32.25	(1.88)
Benefits paid	(104.54)	(28.07)
Actuarial changes arising from changes in financial assumptions	46.59	0.54
Actuarial changes arising from changes in experience adjustments	18.95	63.45
Present Value of defined benefit obligation at the end of the year	569.13	470.87
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	455.72	303.69
Interest Income	35.47	23.63
Contributions paid by the employer	67.18	144.87
Benefits paid from the fund	(41.74)	(15.48)
Return on plan assets excluding interest income	(4.89)	(0.99)
Fair value of plan assets at the end of the year	511.74	455.72
Net asset/(liability) recognised in the balance sheet		
Present Value of defined benefit obligation at the end of the year	(569.13)	(470.87)
Fair value of plan assets at the end of the year	511.74	455.72
Amount recognised in the balance sheet	(57.39)	(15.15)
Net (liability)/asset – current	(20.35)	33.73
Net (liability)/asset – non-current	(37.05)	(48.87)
Expenses recognised in the statement of profit and loss for the year		
Current service cost	68.37	59.95
Interest cost on benefit obligation (net)	1.19	4.91
Total expenses included in employee benefits expense	69.56	64.86
Recognised in other comprehensive income for the year		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	46.59	0.54
Actuarial changes arising from changes in experience adjustments	18.95	63.45
Return on plan assets excluding interest income	4.89	0.99
Recognised in other comprehensive income	70.43	64.98
Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting period)	18.90	13.11
Between 2 and 5 years	123.55	182.73
Between 6 and 10 years	226.91	182.51
11 years and above	605.85	466.26
Sensitivity Analysis Method:		
Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.		
Quantitative sensitivity analysis for significant assumption is as below:		
Increase/(decrease) on present value of defined benefits obligation at the end of the year:		
Projected Benefit Obligation on Current Assumptions	569.13	470.87
One percentage point increase in discount rate	(50.35)	(36.72)
One percentage point decrease in discount rate	58.21	42.37
One percentage point increase in rate of salary Increase	58.14	42.71
One percentage point decrease in rate of salary Increase	(23.79)	(37.62)
One percentage point increase in employee turnover rate	2.25	4.15
One percentage point decrease in employee turnover rate	(2.81)	(4.83)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

(₹ in Lakhs)

Particulars	Gratuity	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	(Funded)	(Funded)
Actuarial assumptions		
Discount rate	6.84% to 6.89%	7.84% to 7.79%
Salary escalation	6.00%	6.00%
Mortality rate during employment	2006-08	2006-08
Mortality post retirement rate	N.A.	N.A.
Rate of Employee Turnover	2.00%	2.00%
Other details		
No. of Active Members	405	392

Experience adjustments:

(₹ in Lakhs)

Particulars	2019-20	2018-19	2017-18	2016-15	2015-14
Defined Benefit Obligation	569.13	470.87	351.68	327.72	227.22
Plan Assets	511.74	455.72	303.69	205.18	180.91
Surplus/(Deficit)	(57.39)	(15.15)	(47.99)	(122.54)	(46.31)
Experience Adjustments on Plan Liabilities – Loss/(Gain)	(18.95)	(63.45)	13.28	17.06	6.42
Experience Adjustments on Plan Assets – Loss/(Gain)	4.89	0.99	(0.41)	6.99	(23.44)

(i) The Group expects to contribute ₹24.69 lakhs (previous year ₹24.84 lakhs) to its gratuity plan for the next year.

(ii) In assessing the Group's post retirement liabilities, the Group monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate.

(iii) Expected return on plan assets is based on expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

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

(v) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

Compensated Absences

Assumption used in accounting for compensated absences:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Present Value of unfunded obligation (₹ in Lakhs)	406.01	349.39
Expense recognised in Statement of profit and loss (₹ in Lakhs)	117.26	75.38
Discount Rate (p.a.)	6.84%-7.79%	7.79%-7.79%
Salary escalation rate (p.a.)	6.00%	6.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 49:- Financial Instruments – Accounting Classifications and Fair Value Measurements

Capital risk management

The Group being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Group's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Group is not subject to any externally imposed capital requirements.

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

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

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Long term borrowings	261,120.70	200,012.06
Current maturity of long-term borrowings	38,585.85	5,071.93
Short term borrowings	10,550.90	-
Less: Cash and cash equivalent	15,710.13	5,029.65
Less: Bank balances other than cash and cash equivalents	550.61	5,146.71
Less: Current investments	6,744.03	22,976.24
Net debt	**287,252.68**	**171,931.39**
Total equity	**275,131.65**	**308,471.83**
Gearing ratio	**1.04**	**0.56**

(i) Equity includes all capital and reserves of the Group that are managed as capital.
(ii) Debt is defined as long and Short-term borrowings (excluding financial guarantee contracts), as described in notes 23.

Categories of financial instruments

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

(₹ in Lakhs)

Particulars	Carrying amount		Fair Value	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Financial assets at amortised cost:				
Investments (Non-current)	**30,900.00**	-	**30,900.00**	-
Loans (Non-Current)	**152.00**	152.00	**152.00**	152.00
Loans (Current)	**27,089.11**	30,634.08	**27,089.11**	30,634.08
Trade receivables	**50,218.75**	39,049.77	**50,218.75**	39,049.77
Other financial assets (Non-current)	**1,359.45**	1,610.36	**1,359.45**	1,610.36
Other financial assets (current)	**6,517.59**	3,587.96	**6,517.59**	3,587.96
Cash and cash equivalents	**15,710.13**	5,029.65	**15,710.13**	5,029.65
Bank balances other than cash and cash equivalents	**550.61**	5,146.71	**550.61**	5,146.71
Total	**132,497.64**	**85,210.53**	**132,497.64**	**85,210.53**
Financial assets at fair value through profit or loss:				
Investments (current) (Level 1)	**6,744.03**	22,976.24	**6,744.03**	22,976.24
Total	**6,744.03**	**22,976.24**	**6,744.03**	**22,976.24**
Financial liabilities at amortised cost:				
Borrowings (Non-current) (Level 2)*	**299,706.55**	205,083.99	**301,862.98**	207,487.91
Borrowings (current) (Level 2)	**10,550.90**	-	**10,550.90**	-
Trade payables	**7,986.72**	722.92	**7,986.72**	722.92
Other financial liabilities (Non-current)	**18,381.77**	7,333.46	**18,381.77**	7,333.46
Other financial liabilities (current)*	**29,548.73**	33,968.65	**29,548.73**	33,968.65
Total	**366,174.67**	**247,109.02**	**368,331.10**	**249,512.94**

* Non-current borrowings includs current maturities of long-term debt which is disclosed under Other current financial liabilities in balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 1 – The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Note 2 – The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

Fair value hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Note 50:- Financial Risk Management Objectives and Policies

The Group's activities expose it to a variety of financial risks, market risk, credit risk, liquidity risk and foreign exchange risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

Foreign currency risk management:

The Group's functional currency is Indian Rupees (INR). The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's revenue. The Group is exposed to exchange rate risk under its trade and debt portfolio.

The carrying amounts of the group's monetary assets and monetary liabilities at the end of the reporting year are as follows:

(₹ in Lakhs)

Foreign currency exposure	Foreign Currency		INR	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Foreign Currency Loan (USD)	1,340.18	1,274.29	101,030.48	88,002.98
	1,340.18	**1,274.29**	**101,030.48**	**88,002.98**

The above foreign currecy items are unhedged.

Foreign currency sensitivity

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

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
	1% Increase	1% decrease	1% Increase	1% decrease
Foreign Currency Loan (USD)	(1,010.30)	1,010.30	(880.03)	880.03
Increase/(decrease) in profit or loss	**(1,010.30)**	**1,010.30**	**(880.03)**	**880.03**

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimise the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The following table provides a break-up of the Group's fixed and floating rate borrowings:

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Floating rate borrowings	243,036.10	196,618.33
Fixed rate borrowings	69,377.79	10,869.58
Total borrowing	**312,413.89**	**207,487.91**
Add: Upfront fees	(2,156.43)	(2,403.92)
Total net borrowings	**310,257.46**	**205,083.99**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

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

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
25 bp increase – Decrease in profit	505.31	380.27
25 bp decrease – Increase in profit	505.31	380.27

Credit risk management:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹50,218.75 lakhs and ₹39,049.77 lakhs as of 31st March, 2020 and 31st March, 2019, respectively. The Group has its major revenue from group companies, revenue from third party majourly consist of Revenue from Fujairah government, Paradip government and some cargo at Jaigarh & Dharamtar ports for which credit risk is not perceived as credit is not allowed to third party customers.

The following table gives details in respect of percentage of revenues generated from Group companies and third party:

(₹ in Lakhs)

Particulars	As at 31st March, 2020	Percentage of Revenue	As at 31st March, 2019	Percentage of Revenue
Revenue from group companies	83,131.42	72.72%	89,639.02	82.98%
Revenue from third parties	31,183.11	27.28%	18,387.00	17.02%
Total	**114,314.53**	**100.00%**	**108,026.02**	**100.00%**

Credit Risk Exposure

The allowance for lifetime expected credit loss on customer balances for the year ended 31st March, 2020 and 31st March, 2019 was ₹ Nil and ₹ Nil lakhs respectively.

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

Liquidity risk management:

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Long-term borrowings generally mature between one and 10 years. Liquidity is reviewed on a daily basis based on weekly cash flow forecast.

As of 31st March, 2020, the Group had a working capital of ₹1,00,458.12 lakhs As of 31st March, 2019, the Group had a working capital of ₹58,759.14 lakhs. The Group is confident of managing its financial obligation through short-term borrowing and liquiduty management.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Maturity profile:

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31st March, 2020:

(₹ in Lakhs)

As at 31st March, 2020	Less than one year	1 to 5 years	> 5 years	Total
Financial Assets:				
Investments (Non-Current)	-	-	30,900.00	30,900.00
Investments (Current)	6,744.03	-	-	6,744.03
Loans (Non-Current)	-	-	152.00	152.00
Loans (Current)	27,089.11	-	-	27,089.11
Trade receivables	50,218.75	-	-	50,218.75
Other financial assets (Non-Current)	-	735.21	624.24	1,359.45
Other financial assets (Current)	6,517.59	-	-	6,517.59
Cash and cash equivalents	15,710.13	-	-	15,710.13
Bank balances other than cash and cash equivalents	550.61	-	-	550.61
	106,830.22	**735.21**	**31,676.24**	**139,241.67**
Financial Liabilities:				
Borrowings (Non-Current)*	38,580.88	92,462.75	168,662.92	299,706.55
Borrowings (Current)	10,550.90	-	-	10,550.90
Trade payables	7,986.72	-	-	7,986.72
Other financial liabilities (Non-Current)	510.34	9,651.60	8,219.85	18,381.77
Other financial liabilities (Current)	29,548.72	-	-	29,548.73
	87,177.56	**102,114.35**	**176,882.77**	**366,174.67**

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31st March, 2019:

(₹ in Lakhs)

As at 31st March, 2019	Less than one year	1 to 5 years	> 5 years	Total
Financial Assets:				
Investments (Non-Current)	-	-	-	-
Investments (Current)	22,976.24	-	-	22,976.24
Loans (Non-Current)	-	-	152.00	152.00
Loans (Current)	30,634.08	-	-	30,634.08
Trade receivables	39,049.77	-	-	39,049.77
Other financial assets (Non-Current)	-	984.80	625.56	1,610.36
Other financial assets (Current)	3,587.96	-	-	3,587.96
Cash and cash equivalents	5,029.65	-	-	5,029.65
Bank balances other than cash and cash equivalents	5,146.71	-	-	5,146.71
	106,424.41	**984.80**	**777.56**	**108,186.77**
Financial Liabilities:				
Borrowings (Non-Current)	5,071.93	65,677.68	134,334.38	205,083.99
Borrowings (Current)	-	-	-	-
Trade payables	722.92	-	-	722.92
Other financial liabilities (Non-Current)	267.66	5,371.88	1,693.92	7,333.46
Other financial liabilities (Current)	33,968.65	-	-	33,968.65
	40,031.16	**71,049.56**	**136,028.30**	**247,109.02**

Collateral

The Group has pledged part of its trade receivables, Short-term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Group. There is obligation to return the securities to the Group once these banking facilities are surrendered. (Refer note 23).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 51:- Employee Stock Option Plan (ESOP)

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

Particulars	ESOP Plan 2016			
	First Grant	Second Grant	Third Grant	Fourth Grant
	13th June, 2016	17th May, 2017	3rd July, 2018	21st May, 2019
Vesting period	1 year	3.5 years	3.5 years	3.5 years
Exercise period	1 year	1 year	1 year	1 year
Expected life	5.5 years	5.63 years	5 years	4.61 years
Weighted average Exercise price on the date of grant	₹897	₹996	₹869	₹973
Weighted average fair value as on grant date	₹516.82	₹685.00	₹585.02	₹603.90

Particulars	ESOP Plan 2016			
	First Grant	Second Grant	Third Grant	Fourth Grant
	13th June, 2016	17th May, 2017	3rd July, 2018	21st May, 2019
Options Granted	168,495	157,667	230,515	228,392
Option Vested	101,639	132,453	195,723	216,872
Options Exercised	-	-	-	-
Options lapsed	45,316	25,214	34,792	11,520
Options bought-out during the year	21,540	-	-	-
Total number of options outstanding	**101,639**	**132,453**	**195,723**	**216,872**

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

The following table exhibits the net compensation expenses arising from share based payment transaction:

(₹in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Expense arising from equity settled share based payment transactions	1,928.99	855.40
Less: Expense capitalised out of above	62.43	118.99
Net expense recognised in statement of Profit and Loss	1,866.54	736.42

For options granted under ESOP 2016 Scheme, the weighted average fair values have been determined using the Black Scholes Option Pricing Model considering the following parameters:

Particulars	ESOP Plan 2016			
	First Grant	Second Grant	Third Grant	Fourth Grant
Grant Date	13th June, 2016	17th May, 2017	3rd July, 2018	21st May, 2019
Weighted average share price on the date of grant	₹997	₹1,245	₹1,086	₹1,217
Weighted average Exercise price on the date of grant	₹897	₹996	₹869	₹973
Expected volatility (%)	38.33%	37.71%	37.09%	35.20%
Expected life of the option (years)	5.5 years	5.63 years	5 years	4.61 years
Expected dividends (%)	0%	0%	0%	0%
Risk-free interest rate (%)	7.43%	6.98%	7.97%	6.97%
Weighted average fair value as on grant date	₹516.82	₹685.00	₹585.02	₹603.90

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

The activity in the ESOP Plans for equity-settled share based payment transactions during the year ended 31st March, 2020 is set out below:

Particulars	ESOP Plan 2016			
	First Grant	Second Grant	Third Grant	Fourth Grant
Grant Date	**13th June, 2016**	**17th May, 2017**	**3rd July, 2018**	**21st May, 2019**
Oustanding as at 1st April, 2018	**127,810**	**157,667**	**-**	**-**
Granted during the year	-	-	230,515	-
Forfeited during the year	4,631	14,286	18,071	-
Exercised during the year	-	-	-	-
Bought-out during the year	-	-	-	-
Oustanding as at 31st March, 2019	**123,179**	**143,382**	**212,444**	**-**
Granted during the year	-	-	-	228,392
Forfeited during the year	-	10,928	16,721	11,520
Exercised during the year	-	-	-	-
Bought-out during the year	21,540	-	-	-
Oustanding as at 31st March, 2020	**101,639**	**132,453**	**195,723**	**216,872**

Note 52:- Disclosures as required by Indian Accounting Standard (Ind AS) 33 Earnings Per Share

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Earnings per share has been computed as under		
Profit for the year (₹ in Lakhs)	19,042.41	26,672.44
Face value of equity share (₹/share)	10.00	10.00
Weighted average number of equity shares outstanding	**59,942,204**	**60,179,778**
Effect of Dilution:		
Weighted average number of treasury shares held under ESOP Trust	780,848	530,214
Effect of Dilutive common equivalent shares – share option outstanding	119,275	83,481
Weighted average number of equity shares outstanding	**60,842,327**	**60,793,473**
Earnings per equity share		
Basic (₹/share)	31.77	44.32
Diluted (₹/share)	31.30	43.87

For details regarding treasury shares held through the ESOP trust (refer Note No.21).

Note 53:- Segment Reporting

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

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

The group has one foreign subsidiary which is not contributing more than 10% in revenue and assets.

(₹ in Lakhs)

Customers contributing more than 10% of Revenue	For the year ended 31st March, 2020	For the year ended 31st March, 2019
JSW Steel Limited (including its group companies)	53,174.73	60,035.28
JSW Energy Limited	14,950.71	15,090.22

Note 54:- In the opinion of the management the current assets, loans and advances (including capital advances) have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 55:- COVID-19

India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide corona virus pandemic. Considering that the the group is in the business of essential services, management believes that there is not much of an impact likely due to this pandemic including the utilisation of install capacity. To manage the expected liquidity risk, the Group has availed debt moratorium for some term loans under the relief package issued by the Reserve Bank of India (RBI) and would re-prioritise discretionary capital expenditure in the immediate future.

Going concern assessment:

The group has continued its operations during lockdown due to the outbreak of COVID-19 as the Port Service is considered as one of the essential services by the Government. The group's substantial port infrastructure capacities are tied up under medium to long-term service agreements with its customers, which insulates revenue of the group under such contracts.

Based on initial assessment, the management does not expect any medium to long-term impact on the business of the group. The group has evaluated the possible effects on the carrying amounts of property, plant and equipment, its infrastructure assets, inventory, loans, receivables and debt covenants basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to above, and the group's liquidity position, there is no uncertainty in meeting financial obligations over the foreseeable future.

Note 56:- Non-Controlling Interest

a) Financial information of South West Port Limited

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-current assets	46,828.85	40,574.21
Current assets	31,751.31	28,907.91
Non-current liabilities	7,846.96	2,441.05
Current liabilities	6,415.44	5,357.89
Equity attirbutable to owners of the Company	47,760.70	45,782.20
Non-controlling interest	16,557.04	15,900.99

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Revenue	20,279.39	17,090.54
Expenses	20,008.29	16,840.87
Profit/(loss) for the year	2,546.40	1,796.88
Profit/(loss) attributable to owners of the Company	1,884.34	1,329.69
Profit/(loss) attributable to the non-controlling interest	662.06	467.19
Profit/(loss) for the year	2,546.40	1,796.88
Other comprehensive income attributable to owners of the Company	(17.10)	8.40
Other comprehensive income attributable to the non-controlling interest	(6.01)	2.95
Other comprehensive income for the year	(23.10)	11.35
Total comprehensive income attributable to owners of the Company	1,867.24	1,338.09
Total comprehensive income attributable to the non-controlling interest	656.06	470.14
Total comprehensive income for the year	2,523.30	1,808.23

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Net cash inflow/(outflow) from operating activities	609.64	5,629.92
Net cash inflow/(outflow) from investing activities	(583.33)	(5,231.22)
Net cash inflow/(outflow) from financing activities	(2.99)	(1,154.58)
Net cash inflow/(outflow)	23.31	(755.89)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

b) Financial information of Jaigarh Digni Rail Limited

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-current assets	8,691.97	8,910.98
Current assets	2,644.91	2,711.32
Non-current liabilities	78.02	232.30
Current liabilities	1,090.72	1,225.09
Equity attirbutable to owners of the Company	6,405.92	6,403.88
Non-controlling interest	3,762.22	3,761.02

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Revenue	-	-
Expenses	50.11	81.35
Profit/(loss) for the year	2.20	62.34
Profit/(loss) attributable to owners of the Company	1.39	39.28
Profit/(loss) attributable to the non-controlling interest	0.82	23.07
Profit/(loss) for the year	2.20	62.34
Other comprehensive income attributable to owners of the Company	0.65	(7.70)
Other comprehensive income attributable to the non-controlling interest	0.38	(4.52)
Other comprehensive income for the year	1.03	(12.23)
Total comprehensive income attributable to owners of the Company	2.03	31.57
Total comprehensive income attributable to the non-controlling interest	1.20	18.54
Total comprehensive income for the year	3.23	50.12

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Net cash inflow/(outflow) from operating activities	(1,785.31)	70.06
Net cash inflow/(outflow) from investing activities	1,632.58	(803.36)
Net cash inflow/(outflow) from financing activities	(100.00)	1,000.00
Net cash inflow/(outflow)	(252.72)	266.70

c) Financial information of JSW Paradip Terminal Private Limited

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-current assets	68,982.89	48,932.04
Current assets	13,878.95	8,684.87
Non-current liabilities	47,632.25	26,665.35
Current liabilities	21,190.35	25,075.21
Equity attirbutable to owners of the Company	14,186.65	5,904.93
Non-controlling interest	(147.40)	(28.58)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Revenue	5,616.50	780.21
Expenses	8,155.87	942.40
Profit/(loss) for the year	(1,754.28)	(123.30)
Profit/(loss) attributable to owners of the Company	(1,635.69)	(114.96)
Profit/(loss) attributable to the non-controlling interest	(118.59)	(8.33)
Profit/(loss) for the year	(1,754.28)	(123.30)
Other comprehensive income attributable to owners of the Company	(3.18)	4.51
Other comprehensive income attributable to the non-controlling interest	(0.23)	0.33
Other comprehensive income for the year	(3.41)	4.84
Total comprehensive income attributable to owners of the Company	(1,638.87)	(110.45)
Total comprehensive income attributable to the non-controlling interest	(118.82)	(8.01)
Total comprehensive income for the year	(1,757.69)	(118.46)

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Net cash inflow/(outflow) from operating activities	(4,072.04)	(3,191.48)
Net cash inflow/(outflow) from investing activities	(21,644.91)	(23,107.72)
Net cash inflow/(outflow) from financing activities	27,094.59	26,852.44
Net cash inflow/(outflow)	1,377.64	553.23

d) Financial information of Paradip East Quay Terminal Private Limited

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-current assets	51,455.08	32,488.99
Current assets	14,089.48	5,825.55
Non-current liabilities	44,696.90	20,333.99
Current liabilities	8,705.87	10,124.16
Equity attirbutable to owners of the Company	12,003.60	7,784.48
Non-controlling interest	138.19	71.91

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Revenue	1,380.00	840.24
Expenses	186.55	104.80
Profit/(loss) for the year	980.40	623.23
Profit/(loss) attributable to owners of the Company	914.13	581.10
Profit/(loss) attributable to the non-controlling interest	66.28	42.13
Profit/(loss) for the year	980.40	623.23
Other comprehensive income attributable to owners of the Company	-	-
Other comprehensive income attributable to the non-controlling interest	-	-
Other comprehensive income for the year	-	-
Total comprehensive income attributable to owners of the Company	914.13	581.10
Total comprehensive income attributable to the non-controlling interest	66.28	42.13
Total comprehensive income for the year	980.40	623.23

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Net cash inflow/(outflow) from operating activities	369.21	(2,192.10)
Net cash inflow/(outflow) from investing activities	(21,145.40)	(19,987.16)
Net cash inflow/(outflow) from financing activities	24,972.69	22,120.88
Net cash inflow/(outflow)	4,196.50	(58.38)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 57:- Disclosure of additional information pertaining to the Parent Company, Subsidiaries and Joint Ventures as per Schedule III of Companies Act, 2013

(₹ in Lakhs)

Name of entity in the group	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of total comprehensive income	Amount (₹ in Lakhs)
Parent Company								
JSW Infrastructure Limited	28.83%	104,990.78	56.12%	13,151.17	7.97%	12.55	55.80%	13,163.72
Subsidiaries								
Indian								
JSW Jaigarh Port Limited	35.57%	129,549.88	8.75%	2,051.51	-2.20%	(3.46)	8.68%	2,048.05
South West Port Limited	13.11%	47,760.70	8.04%	1,884.34	-10.85%	(17.10)	7.92%	1,867.24
JSW Dharamtar Port Private Limited	6.46%	23,527.07	21.24%	4,976.17	-5.17%	(8.14)	21.06%	4,968.03
Masad Marine Services Private Limited	0.00%	(1.04)	0.00%	(0.25)	0.00%	-	0.00%	(0.25)
JSW Mangalore Container Terminal Private Limited	0.01%	25.26	0.00%	(0.27)	0.00%	-	0.00%	(0.27)
West Waves Maritime and Allied Services Private Limited	0.00%	(0.44)	0.00%	(0.26)	0.00%	-	0.00%	(0.26)
JSW Nandgaon Port Private Limited Services Private Limited	0.95%	3,468.17	-0.02%	(4.69)	0.00%	-	-0.02%	(4.69)
JSW Salav Port Private Limited	0.00%	(1.78)	0.00%	(0.48)	0.00%	-	0.00%	(0.48)
JSW Shipyard Private Limited	0.01%	44.21	0.00%	(0.59)	0.00%	-	0.00%	(0.59)
Paradip East Quay Terminal Pvt. Ltd.	3.30%	12,003.60	3.90%	914.13	0.00%	-	3.87%	914.13
JSW Paradip Terminal Private Limited	3.90%	14,186.65	-6.98%	(1,635.69)	-2.02%	(3.18)	-6.95%	(1,638.87)
Jaigarh Digni Rail Limited	1.76%	6,405.92	0.01%	1.39	0.41%	0.65	0.01%	2.03
Foreign								
JSW Terminal Middleast FZE	0.53%	1,924.35	6.34%	1,485.79	115.57%	182.08	7.07%	1,667.86
Non-controlling interest in all subsidiaries	5.58%	20,310.05	2.61%	610.56	-3.72%	(5.86)	2.56%	604.71
Total	**100.00%**	**364,193.39**	**100.00%**	**23,432.82**	**100.00%**	**157.54**	**100.00%**	**23,590.37**

Note 58:- Business combinaton (Ind-AS 101)-

Considering the business needs, it is thought fit to reduce the number of subsidiaries, so as to enable JSW Infrastructure Limited to incorporate/acquire new subsidiaries in future. Application for merger of some group comapnies was filed in NCLT Mumbai Bench on 20th December, 2018. The scheme was approved by NCLT, Mumbai on 4th November, 2019 with appointed date as on 1st April, 2019.

i) The following entities have been merged with JSW Infrastructure Limited as a going concern w.e.f 1st April 2019:

Name of Company	Nature of the business
Entities already part of group:	
a) Dhamankhol Fintrade Private Limited	Management & Consultancy Services
b) JSW Jaigarh Infrastructure Development Private Limited	Developing infrastructure
c) Nalwa Fintrade Private Limited	Management & Consultancy Services
d) Vanity Fintrade Private Limited	Management & Consultancy Services
New entities merged:	
e) Avani Spaces Private Limited	Developing infrastructure
f) Nisagra Spaces Private Limited	Developing infrastructure
g) Sarvodaya Advisory Services Private Limited	Management & Consultancy Services
h) JSW Infrastructure Fintrade Private Limited	Developing infrastructure

* West Waves Maritime and Allied Services Private Limited has become subsidiary of JSW Infrastructure Limited due to merger of Avani Spaces Private Limted and Nisarga Spaces Private Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

ii) Consideration

As the merged entities were under same group, cross holdings were cancelled and new shares of transferee issued to ultimate shareholders as below:

(₹ in Lakhs)

Shares of transferee company held by transferor company cancelled	Nos. of shares	% of share
JSW Infrastructure Fintrade Limited	59,866,570	98.61%
Nisarga Spaces Private Limited	31,145	0.05%
Avani Spaces Private Limited	31,145	0.05%

₹ in Lakhs

Shares of transferee company issued to shareholders of transferor company	Nos. of shares	% of share
Sajjan Jindal Family Trust (including nominee shareholder)	56,504,524	93.07%
JSL Limited	1,712,168	2.82%
Glebe Trading Private Limited	1,712,168	2.82%

iii) Accounting

Difference between the consideration and the value of net identifiable assets acquired is accounted as below:

Particulars	₹ in Lakhs
Net Fixed Assets	1,232.16
Non-Current Assets	58,769.39
Current Assets	57,700.93
Elimination	(112,446.80)
Total Assets	**5,255.68**
Non-Current Liabilities	57,890.01
Current Liabilities	1,543.47
Add: Elimination	(2,615.21)
Total Liabilities	**56,818.27**
Net assets taken over	**(51,562.59)**
Less: Net assets of entities already part of group for consolidation	3,180.16
Add: Net assets of new subsidiary (West Waves Maritime and Allied Services Private Limited)	(1.18)
Net addition in the group	**(54,743.93)**
Consideration paid	-
Accounted in:	
Securities premium Account	(51,562.60)
Retained earnings	(3,183.26)

The Company, under the Scheme of Merger, Sarvoday Advisory Services Private Limited and JSW Infrastructure Fintrade Private Limited and Nisarga Spaces Private Limited and Avani Spaces Private Limited and Dhamankhol Fintrade Private Limited and Nalwa Fintrade Private Limited and Vanity Fintrade Private Limited and JSW Jaigarh Infrastructure Development Private Limited with JSW Infrastructure Limited and their respective Shareholders ('Scheme'), under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, which was approved by the National Company Law Tribunal (NCLT), Mumbai Bench on 4th November, 2019; as per the scheme the appointed date being 1st April, 2019. However, under the MCA circular dated 21st August, 2019 as the common control transaction, the scheme contains a date of acquisition (1st April, 2019) that is not consistent with the date of acquisition as determined under Ind AS 103.

The Company has complied with Ind AS 103 read with MCA general circular dated 21.08.2019 and accordingly merger accounting has been done with effect from appointed date 01.04.2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the year ended 31st March, 2020

Note 59:- The Group is yet to receive balance confirmation in respect of certain sundry creditors, advances and debtors. The management does not expect any material difference affecting the current years financial statements due to the same.

Note 60:- Previous year's figures have been reclassified and regrouped wherever necessary to confirm with the current year classification.

Note 61:- The consolidated financial statements are approved for issue by the Audit Committee at its meeting held on 29th May, 2020 and the Board of Directors in the meeting held on 29th May, 2020.

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
Firm's Registration No.: 137533W

Vaibhav L. Dattani
Partner
Membership No.: 144084
UDIN: 20144084AAAABA1147

Dated: 29th May, 2020
Place: Mumbai

For and on behalf of the Board of Directors

N. K. Jain
Chairman
DIN: 00019442

Arun Maheshwari
JMD & CEO
DIN: 01380000

Lalit Singhvi
Director & CFO
DIN: 05335938

Gazal Qureshi
Company Secretary
M No.: A16843

Dated: 29th May, 2020
Place: Mumbai

COMPANY

JSW Infrastructure Limited
JSW Centre
Bandra Kurla Complex
Bandra East
Mumbai 400 051
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