

**Jubilant Infrastructure Limited**

**Annual financial results for the year ended**

**31 March 2016**

---

# B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B  
DLF Cyber City, Phase - II  
Gurgaon - 122 002, India

Telephone: + 91 124 2358 610  
Fax: + 91 124 2358 613

## Independent Auditor's Report

To the Members of **Jubilant Infrastructure Limited**

## Report on the Financial Statements

We have audited the accompanying financial statements of Jubilant Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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



## **B S R & Co. LLP**

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

- (i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a Statement of the matters specified in paragraphs 3 and 4 of the Order.
- (ii) As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) the Company does not have any pending litigations which would impact its financial position;
    - (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



**B S R & Co. LLP**

(iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For B S R & Co. LLP**

*Chartered Accountants*

ICAI Firm Registration Number: 101248W/W-

100022

  
**Pravin Tulsyan**

*Partner*

Membership No: 108044

Place: Noida

Date: 10 May 2016

**Annexure A to the Independent Auditor's Report**

The Annexure A referred to in our report to the members of the Company for the year ended 31 March 2016. We report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, the discrepancies noticed on such verification were not material and have been properly adjusted in the books of account.
- (c) According to the information and explanations given to us and on the basis of our examination of the books of account, the title deeds of immovable property are held in the name of the Company.
- (ii) The inventory, except goods-in-transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. As informed to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly adjusted in the books of account.
- (iii) According to the information and explanations given to us, the Company, during the current year, has not granted any loans, secured or unsecured, to companies covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii)(a) of the Order is not applicable.

According to the information and explanations given to us, the Company, during earlier years, had granted unsecured loan to holding company covered in the register maintained under section 189 of the Act. In respect of the aforesaid loan:

- (a) the party was regular in repayment of principal and payment of interest, which were payable on demand.
- (b) there is no amount overdue for more than ninety days.

According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to firms or other parties covered in the register maintained under section 189 of the Act. As informed to us, there are no limited liability partnerships covered in the register maintained under section 189 of the Act.

- (iv) According to the information and explanations given to us, in respect of loans, investments and securities made by the Company, the provisions of section 185 and 186 of the Act have been complied with. As informed to us, the Company has not provided any guarantee as specified under Section 185 and 186 of the Act.



**B S R & Co. LLP**

- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the products manufactured/services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited with the appropriate authorities. As explained to us, Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no amounts payable in respect of undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no disputed dues of income- tax, sales tax, service tax, duty of customs and value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to its bankers or to any financial institutions. The Company did not have any loans or borrowings from government or dues to debenture holders during the year.
- (ix) Based on our examination of books of account and according to the information and explanations given to us, the Company did not have any term loans outstanding during the year and did not raise any money by way of initial public offer or further public offer. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) Based on our examination of the books of account and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) Based on our examination of the books of account and according to the information and explanations given to us, the Company has not paid / provided for managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) Based on our examination of the books of account and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.



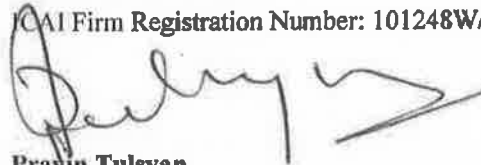
**B S R & Co. LLP**

- (xiv) Based on our examination of the books of account and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For B S R & Co. LLP**

*Chartered Accountants*

ICAI Firm Registration Number: 101248W/W-100022



**Pravin Tulsyan**

*Partner*

Membership No.: 108044

**Place: Noida**

**Date: 10 May 2016**

**Annexure B to the Independent Auditor's Report**

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

We have audited the internal financial controls over financial reporting of the Company as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditor's Responsibility**


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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies





**B S R & Co. LLP**

and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For B S R & Co. LLP**

*Chartered Accountants*

ICAI Firm Registration Number.: 101248W/W-100022



**Pravin Tulsyan**

*Partner*

Membership No.: 108044

Place: Noida

Date: 10 May 2016

JUBILANT INFRASTRUCTURE LIMITED

Balance Sheet as at 31 March 2016

(INR' 000)

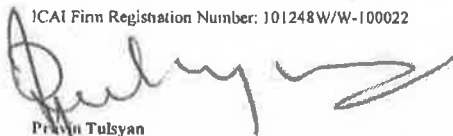
	Note	As at 31 March 2016	As at 31 March 2015
<b>EQUITY AND LIABILITIES</b>			
Shareholders' funds			
Share capital	2	344,840	344,840
Reserves and surplus	3	972,531	968,529
		1,317,371	1,313,369
Non-current liabilities			
Long-term borrowings	4	671	1,115
Deferred tax liabilities (Net)	5	133,956	113,933
Other long term liabilities	6	299,146	315,947
Long-term provisions	7	11,863	12,589
		445,636	443,584
Current liabilities			
Total outstanding dues of micro enterprises and small enterprises (Refer note 26)		849	-
Total outstanding dues of creditor's other than micro enterprises and small enterprises		59,058	58,441
Other current liabilities	8	41,558	35,599
Short-term provisions	9	220,696	314,460
		322,161	408,500
		2,085,168	2,165,453
<b>ASSETS</b>			
Non-current assets			
Fixed Assets			
Tangible assets	10	1,354,722	1,227,256
Intangible assets	10.1	67,978	68,790
Capital work-in-progress	10	24,708	178,191
Non-current investments	11	4,120	2,524
Long-term loans and advances	12	315,973	442,477
Other non-current assets	13	33,892	29,516
		1,801,393	1,948,754
Current Assets			
Inventories	14	25,171	35,662
Trade receivables	15	101,283	133,194
Cash and bank balances	16	136,954	440
Short-term loans and advances	17	15,553	42,592
Other current assets	18	4,814	4,811
		283,775	216,699
		2,085,168	2,165,453
Significant accounting policies	1A		
The notes referred to above form an integral part of the financial statements			

As per our report of even date attached

For BSR & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 101248W/W-100022



Pravin Tulsyan

Partner

Membership Number: 108044

Place: Noida

Date: 10 May 2016

For and on behalf of the Board of Directors of  
Jubilant Infrastructure Limited



Shyamsundar Bang

Managing Director

DIN: 00011327



Bhupal Singh

Company Secretary



Pramod Yadav

Director

DIN: 05264757



N.K. Agarwal

Chief Financial Officer

**JUBILANT INFRASTRUCTURE LIMITED**

Statement of Profit and Loss for the year ended 31 March 2016

(INR\* 000)

Statement of Profit and Loss for the year ended 31 March 2016

(INR '000)

	Note	For the year ended 31 March 2016	For the year ended 31 March 15
<b>REVENUE</b>			
Revenue from operations	19		
-Sale of services		850,621	860,799
-Other operating revenue		20,109	20,236
Other income	20	23,481	34,101
<b>Total revenue</b>		<b>894,211</b>	<b>915,136</b>
<b>EXPENSES</b>			
Employee benefits expense	21	144,189	152,634
Finance costs	22	1,565	1,923
Depreciation and amortization expenses	10, 10.1	65,561	66,931
Other expenses	23	443,451	509,718
<b>Total expenses</b>		<b>654,766</b>	<b>731,206</b>
<b>Profit before exceptional items and tax</b>		<b>239,445</b>	<b>183,930</b>
Exceptional items	24	737	87,673
<b>Profit before tax</b>		<b>238,708</b>	<b>96,257</b>
Tax expenses:			
- Current tax		50,550	20,313
- Minimum Alternate Tax (MAT) credit entitlement		-43,388	-9,023
- Deferred tax charge		20,023	3,223
		<b>27,185</b>	<b>14,513</b>
<b>Profit for the year</b>		<b>211,523</b>	<b>81,744</b>
Basic and diluted earnings per share of Rs. 10 each (Previous year Rs. 10 each) (In Rupees)	34	<b>6.13</b>	<b>2.37</b>

Significant accounting policies

1A

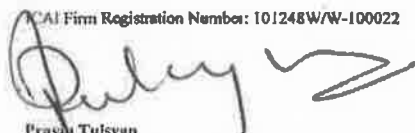
The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For BSR &amp; Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 101248W/W-100022



Pravin Tulsyan

Partner

Membership Number: 108044

For and on behalf of the Board of Directors of

Jubilant Infrastructure Limited



Shyamsundar Bang

Managing Director

DIN: 00011327

Pramod Yadav

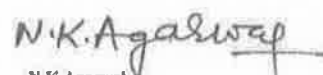
Director

DIN: 05264757



Bhupal Singh

Company Secretary



N.K. Agarwal

Chief Financial Officer

Place : Noida

Date: 10 May 2016

JUBILANT INFRASTRUCTURE LIMITED  
Cash flow Statement for the year ended 31 March 2016

(INR '000)

	For the year ended 31 March 2016	For the year ended 31 March 2015
<b>A. Cash flows from operating activities</b>		
Net profit before tax	238,708	96,257
<b>Adjustments:</b>		
Depreciation and amortization expense	65,561	66,931
(Gain)/loss on sale/disposal/discard/impairment of fixed assets (net)	(69)	87,671
Finance costs	1,565	1,923
Irrecoverable advances written off	903	-
Unrealised gain on foreign exchange fluctuation	-	(49)
Interest income	(23,358)	(34,049)
	44,602	122,422
<b>Operating cash flow before working capital changes</b>	283,310	218,684
Decrease/(increase) in trade receivables, loans and advances and other assets	36,719	(50,476)
Decrease in inventories	10,491	4,268
Decrease in trade payables, provisions and other liabilities	(8,100)	(63,821)
<b>Cash generated from operations</b>	322,420	108,655
<b>Direct taxes paid (net of refunds)</b>	(40,934)	(42,875)
<b>Net cash generated from operating activities</b>	281,486	65,780
<b>B. Cash flow from investing activities :</b>		
Acquisition/purchase of fixed assets/Capital work in progress	(43,220)	(93,109)
Sale proceeds of fixed assets	2,098	228
Purchase of investments	(1,596)	-
Loan to holding company	170,000	-
Interest received	40,592	24,230
<b>Net cash generated from/(used in) investing activities</b>	167,874	(68,651)
<b>C. Cash flow from financing activities :</b>		
Dividend paid (including dividend distribution tax)	(311,281)	-
Finance costs paid	(1,565)	(1,923)
<b>Net cash used in financing activities</b>	(312,846)	(1,923)
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	136,514	(4,794)
<b>Add: cash and cash equivalents at the beginning of year</b>	440	5,234
<b>Cash and cash equivalents at the close of the year (refer note 16)</b>	136,954	440
<b>Notes:</b>		
1) Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard 3 (AS-3) - "Cash Flow Statement".		

As per our report of even date attached

For B S R & Co. LLP  
Chartered Accountants  
CIN Firm Registration Number: 101248W/W-100022

Praveen Tulyan  
Partner  
Membership Number: 108044

Place: Noida  
Date: 10 May 2016

For and on behalf of Board of Directors of  
Jubilant Infrastructure Limited

Shyamsundar Bang  
Managing Director  
DIN: 00011327

Bhupal Singh  
Company Secretary

Pranod Yadav  
Director  
DIN: 05264757

N. K. Agarwal  
Chief Financial Officer

**1. Corporate information**

Jubilant Infrastructure Limited (the Company) is domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is a 100% subsidiary of Jubilant Life Sciences Limited. The Company is a SEZ Developer to provide infrastructure facilities to the SEZ units.

**1A. Significant accounting policies**

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

**A. Basis of preparation and presentation of financial statements**

The accounts of the Company are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the other relevant provisions of the Companies Act, 2013 (including provisions of Companies Act, 1956 which continue to remain in force, to the extent applicable), pronouncements of the Institute of Chartered Accountants of India. To the extent applicable the financial statements are presented as per Schedule III to the Companies Act, 2013 and in Indian rupees rounded off to the nearest thousand.

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

**B. Use of estimates**

The preparation of financial statements in conformity with GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting periods. Examples of such estimate include future obligations under employee benefit plans, income taxes, useful lives of tangible assets and intangible assets etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. Effect of material changes is disclosed in the notes to the financial statements.



**C. Current-non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria in accordance with Schedule III to the Companies Act, 2013 set out below:

*Assets*

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or
- d. 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.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

*Liabilities*

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

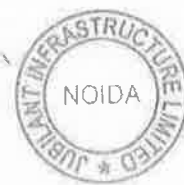
*Operating cycle*

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

**D. Tangible and intangible fixed assets**

**Tangible fixed assets**

Tangible fixed Assets are stated at cost net of tax/duty credits availed, if any, less accumulated depreciation/amortisation/impairment losses. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Advances paid towards acquisition of tangible fixed assets outstanding at each Balance Sheet date are shown under long-term loans and advances and cost of assets not ready for intended use before the year end are shown as capital work-in-progress.



**Intangible fixed assets***Acquired intangible assets*

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Expenditure for acquisition and implementation of software systems is recognised as part of the intangible assets

A tangible/intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible/intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss. Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are shown under 'Other current assets'.

**E. Depreciation and amortisation:**

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs., except for the following classes of fixed assets which are depreciated based on the internal technical assessment of the management as under:

Category of assets	Management estimate of useful life	Useful life as per schedule II
Motor vehicles	5 years	8 years
Motor vehicles under finance lease	Tenure of lease or 5 years whichever is shorter	8 years
Computer servers and networks	5 years	6 years
Employee perquisite related assets (except end user computers)	5 years, being the period of perquisite scheme	10 years

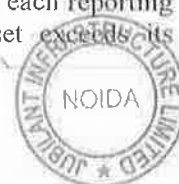
Depreciation on assets added/disposal off during the year has been provided on pro- rata basis with reference to the date of addition/disposal.

Leasehold land (other than those which are to be converted into freehold as per the agreement) is amortised over period of the lease.

Intangible assets in the nature of rights are amortised over its useful life.

**F. Impairment of fixed assets**

Fixed assets are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.



For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. 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 or CGU. Impairment losses are recognised in the Statement of Profit and Loss.

If at the Balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. The impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such a reversal is recognised in the Statement of Profit and Loss.

## G. Leases

### Finance leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Lease payment is allocated between the liability and finance charges so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

### Operating leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease payments under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

## H. Valuation of inventories

The Company holds inventory of consumables, stores and spares etc. which are being used for rendering services to its customers. Such inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realisable value.

Inventories are valued at lower of cost or net realisable value.

The methods of determining cost of various categories of inventories are as follows:

Consumables, stores and spares, etc.	Weighted average method
--------------------------------------	-------------------------

Cost includes all direct costs, cost of conversion and appropriate portion of variable and fixed production overheads and such other costs incurred as to bring the inventory to its present location and condition inclusive of excise duty wherever applicable.





**I. Investments**

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as Non Current investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under Current assets as "Current portion of long term investments" in consonance with the current/non-current classification.

Current investments are carried at cost or fair value, whichever is lower. Long-term investments (including current portion thereof) are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss. Profit or loss on sale of investments is determined on the basis of weighted average carrying amount of investments disposed off.

**J. Income tax**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

**Current tax**

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws.

**Deferred tax**

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the current year and reversal of timing differences for earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Deferred tax consequences of timing differences that originate in the tax holiday period and reverse after the tax holiday period are recognised in the period in which the timing differences originate. Timing differences that originate and reverse within the tax holiday period are not considered for deferred tax purpose.



**Minimum alternate tax**

Minimum Alternate Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendation contained in the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under The Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

**K. Foreign currency conversions/ translations**

Foreign currency transactions are recorded into Indian rupees by applying to the foreign currency amount the exchange rate between the Indian rupees and the foreign currency on/or closely approximating to the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies as at the Balance sheet date are translated into Indian rupees at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

Non monetary assets are recorded at the rates prevailing on the date of transaction.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

**L. Provisions, contingent liabilities and contingent assets**

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions, other than long-term employee benefits, are measured on an undiscounted basis. Contingent liabilities are disclosed in respect of possible obligations that may arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

**M. Employee benefits**

- (i) Short-term employee benefits: All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.



**Jubilant Infrastructure Limited**

**Notes to the financial statements for the period ended 31 March 2016**

- (ii) Post-employment benefits: Post employment benefit plans are classified into defined contribution plans and defined benefit plans in line with the requirements of AS 15 on "Employee Benefits".

**a. Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of Gratuity is recognised in the books of account based on actuarial valuation by an independent actuary.

**b. Provident fund**

The Company makes contribution to the recognised provident fund of its employees in India. Provident Fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan. Company's contribution to the Provident Fund is charged to Statement of Profit and Loss.

- (iii) Other long-term employee benefits:

*Compensated absences*

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits. The Company's liability in respect of other long-term employee benefits is recognised in the books of account based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

- (iv) Termination benefits

Termination benefits are recognised as expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

*Actuarial valuation*

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.



Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

*Past service cost*

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

**N. Borrowing Cost**

Borrowing costs are interest and ancillary cost incurred by the Company in connection with the borrowing of funds.

Borrowing costs are recognised in the Statement of Profit and Loss in the period in which it is incurred, except where the cost is incurred for acquisition, construction, production or development of an asset that takes a substantial period of time to get ready for its intended use in which case it is capitalised up to the date the assets are ready for their intended use. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

**O. Cash and cash equivalents**

Cash and cash equivalents comprise cash balances on hand, cash balance with bank and highly liquid investments with original maturities, at the date of purchase/investment, of three months or less.

**P. Revenue recognition**

Revenue from sale of utilities are recognised on delivery of the same to the consumers and no significant uncertainty exists as to its realisation.

Revenue from lease of SEZ Land is recognised on time proportionate method in terms of the lease agreement.

Revenue from development charges is recognised over the period of lease on straight line method and unrecognised revenue (received in advance) is shown as unearned revenue.

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

Income from interest on deposits, loans and interest bearing securities is recognised on time proportionate method taking into account the amount outstanding and the interest rate applicable.



**Jubilant Infrastructure Limited**

**Notes to the financial statements for the period ended 31 March 2016**

---

**Q. Earnings per share**

The basic earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti-dilutive effect of any potential equity shares is ignored in the calculation of earnings per share.



	As at 31 March 2016	As at 31 March 2015
<b>2 SHARE CAPITAL</b>		
Authorized		
35,000,000 Equity shares of Rs. 10 each	350,000	350,000
(previous year 35,000,000 Equity shares of Rs. 10 each)	350,000	350,000
Issued and Subscribed		
34,484,000 Equity shares of Rs. 10 each	344,840	344,840
(previous year 34,484,000 Equity shares of Rs. 10 each)	344,840	344,840
Paid up		
34,484,000 Equity shares of Rs. 10 each	344,840	344,840
(previous year 34,484,000 Equity shares of Rs. 10 each)	344,840	344,840

**Rights, preferences and restrictions attached to equity shares.**

2.1) The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not by show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

2.2) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts in proportion of the number of equity shares held.

2.3) The details of shares held by holding / ultimate holding company and / or their subsidiaries / associates: -

Name of the shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of shares	% held	No. of shares	% held
Jubilant Life Sciences Limited - The Holding Company (including 7 share held by Jubilant Life Sciences Limited jointly with 7 different individuals)	34,484,000	100%	34,484,000	100%

**2.4) Particulars of shareholders holding more than 5% shares of a class of share.**

Name of the shareholder of Equity share of Rs. 10 each, fully paid up	As at 31 March 2016		As at 31 March 2015	
	Number	% held	Number	% held
Jubilant Life Sciences Limited - The holding company	34,484,000	100%	34,484,000	100%

**2.5) The reconciliation of the number of shares outstanding**

Particulars	As at 31 March 2016		As at 31 March 2015	
	Number	(INR' 000)	Number	(INR' 000)
At the commencement and at the end of the year	34,484,000	344,840	34,484,000	344,840

(INR' 000)

	As at 31 March 2016	As at 31 March 2015
<b>3 RESERVES AND SURPLUS</b>		
Securities premium account		
At the commencement and at the end of the year	952,560	952,560
Surplus in the Statement of Profit and Loss		
Opening balance	15,969	245,915
Add: Net profit for the year	211,523	81,744
Less: Adjustment on account of revised useful lives of fixed assets (Refer note 28)		409
Closing balance	227,492	327,250
Less: Appropriations		
Proposed dividend on equity share *	172,420	258,630
Distribution tax on proposed equity dividend	35,101	52,651
	19,971	15,969
	972,531	968,529

\*During the year ended 31 March 16, dividend of 50% (previous year 75%) ie. Rs. 5 (previous year Rs. 7.5) per fully paid up equity share has been recognised as distribution to equity shareholders.

(INR' 000)

	As at 31 March 2016	As at 31 March 2015
<b>4 LONG-TERM BORROWINGS</b>		
Long-term maturities of finance lease obligation		
- Finance lease obligations (secured)	671	1,115
	671	1,115
The above amount includes		
Secured Borrowings	671	1,115
Unsecured Borrowings		
	671	1,115

Finance lease obligations are secured by hypothecation of specific assets taken on such lease. The same are repayable as per the terms of agreement.



**JUBILANT INFRASTRUCTURE LIMITED**

Notes to the financial statements for the year ended 31 March 2016

(INR' 000)

	As at 31 March 2016	As at 31 March 2015
<b>5 DEFERRED TAX LIABILITY (Net)</b>		
Deferred tax liabilities on accounts of:		
- Depreciation / amortisation	127,357	108,991
- Others	11,729	10,033
	139,086	119,023
Deferred tax assets on accounts of:		
- Provisions for compensated absences and gratuity	5,130	5,090
	5,130	5,090
Deferred tax liabilities (Net)	133,956	113,933
<b>6 OTHER LONG TERM LIABILITIES</b>		
Income received in advance	299,146	315,947
	299,146	315,947
<b>7 LONG TERM PROVISIONS</b>		
Provision for employee benefits	11,863	12,589
	11,863	12,589
<b>8 OTHER CURRENT LIABILITIES</b>		
Current maturities of finance lease obligation	262	709
Income received in advance / unearned revenue	16,801	16,801
Creditors for capital supplier and services	8,293	10,066
Other payables (includes employee benefits and statutory dues)	16,202	8,023
	41,558	35,599
<b>9 SHORT-TERM PROVISIONS</b>		
Employees benefits	2,960	3,179
Dividends on equity shares (including dividend distribution tax)	207,521	311,281
Income tax (net of advance tax Rs.41,015 (previous year Rs.35,072))	10,215	-
	220,696	314,460



**JUBILANT INFRASTRUCTURE LIMITED**

Notes to the financial statements for the year ended 31 March 2016

(INR' 000)

**10. FIXED ASSETS (Tangible Assets)**

Description	GROSS BLOCK-COST/BOOK VALUE					DEPRECIATION				NET BLOCK	
	As at 31 March, 2015	Additions/ adjustments during the year	Deductions/ adjustments during the year	As at 31 March, 2016	Upto 31 March, 2015	Provided during the year	Deductions/ adjustments during the year	Upto 31 March, 2016	As at 31 March, 2016	As at 31 March, 2015	
<b>Tangible Assets:</b>											
Leasehold Land	236,665	-	-	236,665	13,926	1,967	-	15,893	220,772	222,739	
Buildings	41,395	-	-	41,395	4,695	1,308	-	6,003	35,392	36,700	
(a) Factory	285,936	20,879	-	306,815	35,368	23,962	-	59,330	247,485	250,568	
(b) Others											
Plant and Equipments	840,561	171,480	314	1,011,727	140,049	31,255	40	171,264	840,463	700,512	
Furniture and Fixtures	7,514	-	158	7,356	2,378	763	115	3,026	4,330	5,136	
Vehicles	3,027	275	-	3,302	2,145	572	-	2,717	585	882	
Vehicles-Leased	3,003	930	2,530	1,423	1,335	309	1,130	514	919	1,668	
Office Equipments	21,879	660	709	21,830	12,828	4,613	397	17,044	4,786	9,051	
<b>TOTAL</b>	<b>1,439,980</b>	<b>194,244</b>	<b>3,711</b>	<b>1,630,513</b>	<b>213,724</b>	<b>64,749</b>	<b>1,682</b>	<b>275,791</b>	<b>1,354,722</b>	<b>1,227,256</b>	
Previous Year	1,460,216	1,480	21,716	1,439,980	149,902	66,121	3,299	212,724	1,227,256		
<b>Capital Work in Progress (CWIP)</b>									24,708	178,191	
									1,379,430	1,405,447	

Notes:  
1) Leasehold land include Nangangud land amounting Rs. -42,100 taken on lease for 10 years. After completion of 10 years ownership of land will be transferred to Jubilant Infrastructure Limited after satisfaction of certain condition.

2) Land owned by the Company has been given as a security against loans taken by the parent company, Jubilant Life Sciences Limited from financial institutions.

3) Leasehold Land include 29.456 acres given to Jubilant Life Science Limited on lease for 25 years

(INR' 000)

**10.1 FIXED ASSETS (Intangible Assets)**

Description	GROSS BLOCK-COST/BOOK VALUE					AMORTISATION				NET BLOCK	
	As at 31 March, 2015	Additions/ adjustments during the year	Deductions/ adjustments during the year	As at 31 March, 2016	Upto 31 March, 2015	Provided during the year	Deductions/ adjustments during the year	Upto 31 March, 2016	As at 31 March, 2016	As at 31 March, 2015	
<b>Intangible Assets:</b>											
Rights Software	72,888	-	-	72,888	4,415	738	-	5,153	67,755	68,473	
	391	-	-	391	74	74	-	148	243	317	
<b>TOTAL</b>	<b>73,279</b>	<b>-</b>	<b>-</b>	<b>73,279</b>	<b>4,489</b>	<b>812</b>	<b>-</b>	<b>5,301</b>	<b>67,978</b>	<b>68,790</b>	
Previous Year	72,888	391	-	73,279	3,679	810	-	4,489	68,790		
									67,978		





**JUBILANT INFRASTRUCTURE LIMITED**  
**Notes to the financial statements for the year ended 31 March 2016**

(INR' 000)

	As at 31 March 2016	As at 31 March 2015
<b>11 NON-CURRENT INVESTMENTS</b>		
Non Trade Investments		
Investment in Equity Shares	410	410
Jubilant Industries Limited		
(50,000 shares of Rs. 10 each (previous year 50,000 shares of Rs. 10 each))	410	410
Total Quoted Non Trade Investment	3,710	2,114
Forum 1 Aviation Limited		
(917,941 shares of Rs. 10 each (previous year 758,334 shares of Rs. 10 each))	3,710	2,114
Total Un-Quoted Non Trade Investment	4,120	2,524
Total Non Trade Investments	7,600	4,120
Market value of quoted Investment	410	410
Cost of quoted Investment	3,710	2,114
Aggregate value of unquoted Investment		
<b>11.1) Movement in Non-current Investments</b>		
Particulars	As at 31 March 2016	As at 31 March 2015
At the commencement of the year	2,524	2,524
Additional during the Financial year	1,596	-
At the end of the year	4,120	2,524
<b>12 LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured considered good unless otherwise stated)		
Capital advances	2	206
Security deposits	7,299	7,319
Loans to related parties		
ICD given to Jubilant Life Sciences Ltd.	187,500	357,500
Loans and advances to employees	31	175
Prepaid expenses	322	446
MAT credit entitlement	105,324	61,936
Advance income tax (net of provision for tax Rs. 52,526 (Previous year Rs 20,176))	15,495	14,895
	<b>315,973</b>	<b>442,477</b>
<b>13 OTHER NON-CURRENT ASSETS</b>		
Lease equalisation charges receivable	33,892	29,516
	<b>33,892</b>	<b>29,516</b>
<b>14 INVENTORIES</b>		
Consumables, stores and spares	25,171	35,662
(includes in transit Rs. 133 (previous year Rs. 19,356))	<b>25,171</b>	<b>35,662</b>
<b>15 TRADE RECEIVABLES</b>		
(Unsecured)		
Outstanding for a period exceeding six months from the date they become due for payment	101,283	133,194
Others, considered good*	101,283	133,194
* include Rs. 101,283 (previous year Rs. 133,194) due from the company in which directors of the Company are directors		
<b>16 CASH AND BANK BALANCES</b>		
Cash and cash equivalents		
Cash on hand	16	30
- Cash on hand	51	43
- Imprest		
Balances with banks:	136,721	367
- Current accounts	166	-
Cheques/drafts on hand	136,954	440
<b>17 SHORT-TERM LOANS AND ADVANCES</b>		
Deposits	20	-
Deposits / balances with excise / sales tax authorities	405	6,725
Interest accrued and due on loan to related parties	13,327	30,566
Claims recoverable	-	3,542
Others	1,801	1,759
	<b>15,553</b>	<b>42,592</b>
<b>18 OTHER CURRENT ASSETS</b>		
Other current assets (Refer note 29)	4,814	4,811
	<b>4,814</b>	<b>4,811</b>



**JUBILANT INFRASTRUCTURE LIMITED**

Notes to the financial statements for the year ended 31 March 2016

(INR' 000)

	For the year ended 31 March 2016	For the year ended 31 March 2015
<b>19 REVENUE FROM OPERATIONS</b>		
Sale of services	850,621	860,799
Other operating revenue	20,109	20,236
	870,730	881,035
<b>19.1 PARTICULARS OF SALE OF SERVICES</b>		
Infrastructure support	850,621	860,799
	850,621	860,799
<b>19.2 PARTICULARS OF OTHER OPERATING REVENUE</b>		
Lease rental income	20,109	20,236
	20,109	20,236
<b>20 OTHER INCOME</b>		
Interest income		
- on loan to related parties	23,275	33,962
- on others	83	87
Net gain on sale of fixed assets	69	51
Other Non-Operating Income	54	1
	23,481	34,101
<b>21 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, wages, bonus, gratuity and allowances	123,466	132,778
Contribution to provident and other funds	5,985	6,399
Staff welfare expenses	14,738	13,457
	144,189	152,634
<b>22 FINANCE COST</b>		
Interest expense *	1,565	1,923
* includes 1,258 thousand (previous year Rs. 1,179 thousand) towards interest relating to Income tax payments		
	1,565	1,923
<b>23 OTHER EXPENSES</b>		
Consumables, stores and spares	362,877	422,730
Power and fuel	39,356	37,970
Repairs and maintenance		
- Plant and machinery	11,644	16,488
- Buildings	1,178	1,178
- Others	10,597	10,223
Rent	689	558
Rates and taxes	2,888	3,536
Insurance	1,070	1,121
Advertisement, publicity and sales promotion	56	25
Traveling and other incidental expenses	3,791	3,931
Vehicle running and maintenance	762	1,013
Printing and stationery	1,356	1,334
Communication expenses	1,331	1,308
Staff recruitment and training	1,141	1,762
Donation	-	2,300
Auditor's remuneration		
- As Auditors	300	300
- For tax audit	50	50
- For certification	130	80
Legal, professional and consultancy charges	2,627	3,079
Freight and forwarding (including ocean freight)	-	6
Miscellaneous expenses	133	21
Bank charges	318	312
Selling expenses	254	393
Bad debts / irrecoverable advances written off	903	-
	443,451	509,718

**23.1 PARTICULARS OF IMPORTED AND INDIGENOUS STORES, SPARES, CHEMICALS CONSUMED**

	%	(INR' 000)	%	(INR' 000)
Imported	9.92	35,997	0.06	252
Indigenous	90.08	326,880	99.94	422,478
	100	362,877	100	422,730

**24. EXCEPTIONAL ITEMS**

Foreign exchange (gain)/loss	737	(49)
One time loss on discard of assets (Refer note 29)		87,722
	737	87,673



**Jubilant Infrastructure Limited**  
**Notes to the financial statement for the period ended 31 March 2016**

**25. Contingent Liability and Commitments**

**25.1 Capital Commitments**

Estimated amounts of contracts remaining to be executed on capital account ((net of advances Rs. Nil thousand (previous year Rs. 205 thousand)) Rs. 4,521 thousand (previous year Rs. 8,560 thousand).

**25.2 Other contingent liabilities as at 31 March 2016:**

Purchase obligation on account of shortfall in current year procurement of gas from Gail (India) Limited amounting to Rs. 3,178 thousand (previous year Rs. Nil).

**26. Micro, small and medium entities**

There are no Micro, Small and Medium enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31 March 2016. The information as required to be disclosed in relation to the Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

(INR'000)

Particulars	As at 31 March 2016	As at 31 March 2015
The principal amount remaining unpaid to any supplier as at the end of the year	849	-
The interest due on principal amount remaining unpaid to any supplier as at the end of the year	-	-
The amount of interest paid by the company in terms of section 16 of Micro, small and medium enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-



# Jubilant Infrastructure Limited

## Notes to the financial statement for the period ended 31 March 2016

27. A. The Company has significant operating lease arrangements which are non-cancellable for a fixed period of 25 years. The lease rental income is subject to escalation whereby the Company is entitled to increase the lease rental by 10% of the average lease rental of preceding three years blocked period.

The schedule of future minimum lease rental receivable in respect of non-cancellable operating leases is set out below:

(INR'000)			
S. No.	Particulars	As at 31 March 2016	As at 31 March 2015
1	Not later than one year	16,324	15,645
2	Later than one year but not later than five years	70,056	68,105
3	Later than five years	324,583	342,859
	<b>Total</b>	<b>410,963</b>	<b>426,609</b>

Lease rental and development income recognised under such leases during the year amounting to Rs. 36,822 thousand (Previous year Rs. 36,822 thousand) has been included under revenue from operations in note 19.

### B. Assets acquired under finance lease:

The Company has taken vehicles under finance lease. Future minimum lease payment and their present value under finance lease are as follows:

(INR' 000)						
	Minimum lease payment		Present value of minimum lease payment		Future interest	
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Not later than one year	367	904	262	709	105	195
Later than one year but not later than five years	822	1,226	671	1,115	151	111
Later than five years	-	-	-	-	-	-

There is no element of contingent rent or sub lease payments. The Company has option to purchase the assets at the end of the lease term. There are no restrictions imposed by these lease arrangements regarding dividend, additional debt and further leasing.

28. During the year ended 31 March 2015, pursuant to the Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company revised depreciation rates on fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act. As a result of this change, the depreciation charge for the year ended 31 March 2015 was higher by Rs. 7,814 thousand. Further, based on the transitional provision provided in Note 7(b) of the Schedule II an amount of Rs. 409 thousand (after adjustment for related tax impact) was debited to opening balance of retained earnings in respect of the fixed assets where life had expired as per the said Schedule as on 31 March 2014.
29. During the year ended 31 March 2015, the company had identified and written off idle assets of net book value (adjusted for net realisable value) amounting to Rs. 87,222 thousand on usability assessment and the same was reported under exceptional items. The realisable value of the same has been included under other current assets.



**Jubilant Infrastructure Limited****Notes to the financial statement for the period ended 31 March 2016****30. Employee benefits**

Employee benefits have been calculated as under:

**A. Defined contribution plans****Provident Fund**

During the period, the Company has contributed following amounts to:

(INR '000)

Particulars	For the period ended 31 March 2016	For the year ended 31 March 2015
Employers contribution to provident fund	3,342	4,153
Employers contribution to employee's pension scheme 1995	2,059	1,634

**B. Defined benefit plans****i) Gratuity**

In accordance with Accounting Standard 15(AS 15)-"Employee Benefits (Revised 2005)", an actuarial valuation has been carried out in respect of gratuity.

**Actuarial assumptions are as follows:****a) Economic assumptions**

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been agreed by the company:

	31 March 2016	31 March 2015
i) Discounting rate	7.90	7.74
ii) Future salary Increase	10.00% for 3 years & 6.00% thereafter.	10.00% for 3 years & 6.00% thereafter.
iii) Expected Rate of return on plan assets	-	-

**b) Demographic assumption**

i) Retirement Age (Years)	58	58
ii) Mortality Table	IALM (2006 - 08)	
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	27.00	22.00
From 31 to 44 years	17.00	17.00
Above 44 years	17.00	18.00



**Jubilant Infrastructure Limited**

**Notes to the financial statement for the period ended 31 March 2016**

**Reconciliation of opening and closing balances of the present value of the defined benefit obligation:**

(INR ' 000)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Present value of obligation as at the beginning of period	8,353	6,187
Current service cost	1,729	1,869
Interest cost	646	582
Benefits paid	(1,536)	(1,605)
Actuarial (gain)/loss	(668)	1,321
Present value of obligation as at the end of period (Net of benefits paid)	8,524	8,353

**Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:**

(INR ' 000)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Present value of obligation as at the end of period	8,524	8,353
Fair value of plan assets at period end	-	-
Assets/(liabilities) recognized in the Balance Sheet	8,524	8,353

**Cost recognized for the year (included under Salaries, wages, bonus, gratuity and allowances)**

(INR ' 000)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Current service cost	1,729	1,869
Interest cost	646	582
Actuarial (gain)/loss	(668)	1,321
Net cost recognized for the period	1,707	3,771



**Jubilant Infrastructure Limited**

**Notes to the financial statement for the period ended 31 March 2016**

**Experience adjustment for the current and previous four periods**

(INR' 000)

Particulars	For the year 31 March 2012	For the year 31 March 2013	For the year 31 March 2014	For the year 31 March 2015	For the year 31 March 2016
Present value of obligation as at the end of period	2,123	3,713	6,187	8,353	8,524
Fair value of plan assets at the end of the period	-	-	-	-	-
Surplus / (Deficit)	(2,123)	(3,713)	(6,187)	8,353	8,524
Experience adjustment on plan liabilities (loss) / gain	(703)	(489)	(364)	(295)	(592)
Experience adjustment on plan assets (loss) / gain	-	-	-	-	-

**ii) Other long term benefits**

(INR' 000)

Particulars	As at 31 March 2016	As at 31 March 2015
Present value of compensated absences	6,299	7,415

**31. Segment reporting**

The Company is in the business of infrastructure development and providing infrastructure support services. There is no other separate reportable segment. Hence, no segment are reporting as required by Accounting Standard 17 "Segment reporting" has been done.

**32. Related party disclosures**

**a) Related parties of the Company**

**i) Holding company / ultimate holding company**

Jubilant Life Sciences Limited

**ii) Other entities:**

Jubilant Industries Limited

Jubilant Bhartia Foundation

**iii) Key management personnel**

Mr. Shyamsundar Bang

Mr. Praveen Kumar Gupta (till 31 August 2015)

Mr. N K Agarwal (w.e.f 31 March 2015)

Mr. Bhupal Singh (w.e.f 1 September 2015)



**Jubilant Infrastructure Limited**  
**Notes to the financial statement for the period ended 31 March 2016**

**b) Transactions with related parties**

The Company has entered into transaction with the following related parties: -

**i) Holding company**

Jubilant Life Sciences Limited

Particulars	(INR' 000)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Sales of Services	833,821	843,998
Sale of DEPB License	-	2,409
Lease Rental Received	15,645	15,104
Purchase of Raw Material	41,479	3,082
Expenses reimbursed	123,019	155,471
Expenses recharged	70	6
Dividend Paid	258,630	-
Inter Company Deposits received back during the year	170,000	-
Interest on Inter Company Deposits	23,275	33,962

**Holding company**

Jubilant Life Sciences Limited

Balance outstanding as at year end:		(INR' 000)	
Particulars	As at 31 March 2016	As at 31 March 2015	
Trade receivable	101,283	133,194	
Payable	36,080	234	
Interest accrued on Inter corporate deposit	13,327	30,566	
Inter corporate deposit	187,500	357,500	

**ii) Others entities**

Jubilant Bhartia Foundation

Particulars	(INR' 000)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Donation given	-	2,300

**Balance outstanding as at year end:**

**i) Jubilant Bhartia Foundation**

Particulars	(INR' 000)	
	As at 31 March 2016	As at 31 March 2015
Payable	-	2,300





**Jubilant Infrastructure Limited**

Notes to the financial statement for the period ended 31 March 2016

ii) **Jubilant Industries Limited** (INR' 000)

Particulars	As at 31 March 2016	As at 31 March 2015
Investment	410	410

iii) **Key management personnel** (INR' 000)

Particulars	As at 31 March 2016	As at 31 March 2015
Remuneration and related expenses to Mr. N K Agarwal*	4,827	9

\*excludes provision for gratuity and compensated absences, as these are determined on the basis of actuarial valuation for the Company as a whole.

33. (a) **Expenditure in foreign currency (on accrual basis)** (INR' 000)

Particulars	As at 31 March 2016	As at 31 March 2015
Repair and maintenance	-	1,284

(b) **Value of imports on C.I.F. basis** (INR' 000)

Particulars	As at 31 March 2016	As at 31 March 2015
Store, spares, chemicals and catalyst	38,423	252

34. As per Accounting Standard 20 on earning per Share (EPS) the particulars of EPS for equity shareholders are as below:

S. No.	Earnings per share (EPS)	For the year ended 31 March 2016	For the year ended 31 March 2015
a)	Net profit available to the equity share holders	211,523	81,744
b)	Weighted average number of equity shares (of Rs. 10 each)	34,484,000	34,484,000
c)	Basic and diluted earnings per share (Rs.)	6.13	2.37

**Weighted average number of equity shares for Earnings per share computation**

S. No.	Earnings per share (EPS)	For the year ended 31 March 2016	For the year ended 31 March 2015
a)	Numbers of equity shares at the beginning	34,484,000	34,484,000
b)	Add: shares issued during the year	-	-
c)	Weighted average number of equity shares	34,484,000	34,484,000



**Jubilant Infrastructure Limited**

**Notes to the financial statement for the period ended 31 March 2016**

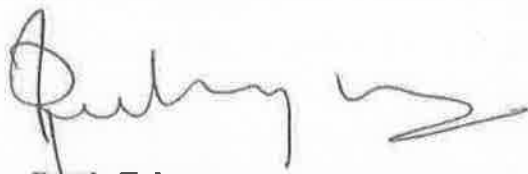
35. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the domestic transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by its due date. The management is of the opinion that its domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.
36. Previous year's figures have been regrouped / rearranged / reclassified wherever found necessary to conform to current year's presentations.

As per our report of even date attached

**For B S R & Co. LLP**

*Chartered Accountants*

ICAI Firm Registration Number: 101248W/W-100022



**Pravin Tulsyan**

*Partner*

Membership Number: 108044

For and on behalf of the Board of Directors of

**Jubilant Infrastructure Limited**



**Shyamsundar Bang**

*Managing Director*

DIN: 00011327

**Pramod Yadav**

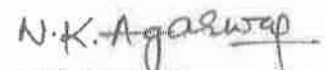
*Director*

DIN: 05264757



**Bhupal Singh**

*Company Secretary*



**N K Agarwal**

*Chief Financial Officer*

Place: Noida

Date: 10 May 2016