Independent Auditor's Report

To the Members of **Jubilant Infrastructure Limited**

1. Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Jubilant Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

2. Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, read with the relevant rules issued thereunder.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS 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 of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the Ind AS 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 Ind AS financial statements.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at 31 March 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

   (e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 32 to the Ind AS financial statements;

(ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) there were no amounts which were required to be transferred to the investor education and protection fund by the Company; and

(iv) the Company has provided requisite disclosures in the Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed by us and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management – Refer Note 35 to the Ind AS financial statements.

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

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 15 May 2017

Annexure A referred to in paragraph 5 (1) of the Independent Auditor's Report to the Members of Jubilant Infrastructure Limited on the Ind AS financial statements for the year ended 31 March 2017

We report that:

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, the fixed assets are physically verified by the management in accordance with a phased programme designed to cover all items of fixed assets over a period of three year, which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. In accordance with this programme, a portion of fixed assets has been physically verified by the management during the year. As informed to us, no material discrepancies were observed on such verification.

(c) According the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.

(ii) According to the information and explanations given to us, the inventories, except goods in transit, has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. Further, as informed, the discrepancies noticed on verification between the physical inventory 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. As informed to us, there are no limited liability partnerships covered in the register maintained under section 189 of the Act. Accordingly, para 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 terms and conditions of the grant of such loan are not prejudicial to the Company's interest;

b) The party is regular in repayment of principal and payment of interest, which were payable on demand.

c) There is no amount overdue for more than ninety days.

(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.

(v) According to the information and explanations given to us, the Company has not accepted any deposits covered under section 73 to 76 of the Act. 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, para 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 Excise, Value Added Tax, Cess and any other material statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities during the year. 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 payable in respect of undisputed statutory dues including Provident Fund, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added tax, Cess and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and on the basis of the records of the Company examined by us, there are nos disputed amounts dues of income tax, sales tax, service tax, duty of customs and value added tax which have not been deposited with appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to its bankers or to financial institutions. The Company did not have any loans or borrowings from government or dues to debenture holders during the year.

(ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, 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) According to information and explanations given to us and on the basis of our examination of the records of the Company, 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 Ind AS financial statements, as required by the applicable accounting standards.

(xiv) According to 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 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 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: 15 May 2017

Annexure B to the Independent Auditor's Report of even date on the Ind AS financial statements Jubilant Infrastructure Limited

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

We have audited the internal financial controls over financial reporting of Jubilant Infrastructure Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the Indian Accounting Standard (Ind AS) 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 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the 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 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 Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 2017, 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 issued by the Institute of Chartered Accountants of India.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration no.: 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 15 May 2017

Jubilant Infrastructure Limited
Balance Sheet as at 31 March 2017

(INR"000)

	Notes	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
ASSETS				
Non-current assets				
Property, plant and equipment	3	1,459,327	1,354,722	1,227,256
Capital work-in-progress	3	11,073	24,708	178,191
Intangible assets	3(a)	67,168	67,978	68,790
Financial assets				
i. Investments	4	25,712	17,147	11,976
ii. Loans	5	149,743	194,830	364,994
Deferred tax assets (net)	6	9,454	-	-
Income tax asset (net)	7	169	15,495	14,896
Other non-current assets	8	998	324	652
Total non-current assets		**1,723,644**	**1,675,204**	**1,866,755**
Current assets				
Inventories	9	36,435	25,171	35,662
Financial assets				
i. Trade receivables	10	101,380	101,283	133,194
ii. Cash and cash equivalents	11	3,370	136,954	440
iii. Loans	5	-	32	5
iv. Other financial assets	12	-	13,337	30,573
Other current assets	13	22,314	6,997	16,825
Total current assets		**163,499**	**283,774**	**216,699**
Total assets		**1,887,143**	**1,958,978**	**2,083,454**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14(a)	344,840	344,840	344,840
Other equity		1,130,961	1,171,238	1,269,778
		1,475,801	**1,516,078**	**1,614,618**
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	15	1,476	671	1,115
Provisions	16	16,738	11,863	12,589
Deferred tax liabilities (net)	6	-	16,579	41,965
Other non-current liabilities	17	282,346	299,146	315,947
Total non-current liabilities		**300,560**	**328,259**	**371,616**
Current liabilities				
Financial liabilities				
i Trade Payables	18	71,408	59,907	58,441
ii Other Financial Liabilities	19	11,413	21,206	16,580
Other current liabilities	17	19,813	20,353	19,020
Provisions	16	7,194	2,960	3,179
Current tax liabilities (net)	7	954	10,215	-
Total current liabilities		**110,782**	**114,641**	**97,220**
Total liabilities		**411,342**	**442,900**	**468,836**
Total equity and liabilities		**1,887,143**	**1,958,978**	**2,083,454**
Significant Accounting policies	2			
Notes to the financial Statements	3-38			

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For B S R & Co. LLP.
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

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

Pravin Tulsyan
Partner
Membership No: 108044

Shyamsundar Bang
Director
DIN: 00011327

Pramod Yadav
Director
DIN:05264757

Place : Noida
Date : 15 May 2017

S.Kartik
Company Secretary

N.K.Agarwal
Chief Financial Officer

Jubilant Infrastructure Limited
Statement of Profit and Loss for the year ended 31 March 2017

(INR"000)

	Notes	For the year ended 31 March 2017	For the year ended 31 March 2016
Revenue from operations	20	679,820	866,355
Other income	21	36,167	23,481
Total income		**715,987**	**889,836**
Expenses			
Employee benefits expense	22	145,889	144,938
Finance costs	23	737	1,565
Depreciation and amortisation expense	24	74,414	65,561
Other expenses	25	323,814	444,188
Total expenses		**544,854**	**656,252**
Profit before tax		**171,133**	**233,584**
Tax expense			
- Current tax	26	34,912	50,550
- MAT credit entitlement		(41,978)	(43,388)
- Deferred tax		17,182	17,773
Total tax expense		10,116	24,935
Profit for the year		161,017	208,649
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Changes in fair value of investments which are classified at fair value through OCI		8,565	3,575
Re-measurement of post-employment benefit obligations		(3,576)	668
Income tax relating to these items		1,238	(231)
Other comprehensive income for the year, net of tax		6,227	4,012
Total comprehensive income for the year		167,244	212,661
Earnings per equity share for profit attributable to equity holders of the Company			
Basic earnings per share of Rs.10 each (in Rupees)	38	4.67	6.05
Diluted earnings per share of Rs.10 each (in Rupees)		4.67	6.05
Significant Accounting policies	2		
Notes to the financial Statements	3-38		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP.
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

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

Pravin Tulsyan
Partner
Membership No: 108044

Shyamsundar Bang
Director
DIN: 00011327

Pramod Yadav
Director
DIN:05264757

Place : Noida
Date : 15 May 2017

S.Kartik
Company Secretary

N.K.Agarwal
Chief Financial Officer

Jubilant Infrastructure Limited
Statement of Changes in Equity for the year ended 31 March 2017

a) Equity share capital

	(INR"000)
Balance as at 1 April 2015	**344,840**
Balance as at 31 March 2016	**344,840**
Balance as at 31 March 2017	**344,840**

(b) Other Equity (INR"000)

	Reserve & Surplus (1)			Other Comprehensive Income (1)		
	Capital reserve	Securities premium reserve	Retained Earnings	Equity instruments through OCI	Re-measurement defined benefit obligations	Total
As at 1 April 2015	1,339	952,560	306,427	9,452	-	1,269,778
Profit for the year	-	-	208,649	-	-	208,649
Employee Stock option expense	80	-	-	-	-	80
Other comprehensive income	-	-	-	3,575	437	4,012
Total comprehensive income for the year	80	-	208,649	3,575	437	212,741
Dividend	-	-	(258,630)	-	-	(258,630)
Tax on dividend	-	-	(52,651)	-	-	(52,651)
As at 31 March 2016	**1,419**	**952,560**	**203,795**	**13,027**	**437**	**1,171,238**

Jubilant Infrastructure Limited
Statement of Changes in Equity for the year ended 31 March 2017

(INR"000)

	Reserve & Surplus (1)			Other Comprehensive Income (1)		
	Capital reserve	**Securities premium reserve**	**Retained earnings**	**Equity instruments through OCI**	**Re-measurement defined benefit obligations**	**Total**
As at 1 April 2016	**1,419**	**952,560**	**203,795**	**13,027**	**437**	**1,171,238**
Profit for the year	**-**	**-**	**161,017**	**-**	**-**	**161,017**
Other comprehensive income	**-**	**-**	**-**	**8,565**	**(2,338)**	**6,227**
Total comprehensive income for the year	**-**	**-**	**161,017**	**8,565**	**(2,338)**	**167,244**
Dividend	**-**	**-**	**(172,420)**	**-**	**-**	**(172,420)**
Tax on dividend	**-**	**-**	**(35,101)**	**-**	**-**	**(35,101)**
As at 31 March 2017	**1,419**	**952,560**	**157,291**	**21,592**	**(1,901)**	**1,130,961**

(1) Refer note 14 (b) for nature and purpose of other equity.

Significant accounting policies refer note 2

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP.
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

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

Pravin Tulsyan
Partner
Membership No: 108044

Shyamsundar Bang
Director
DIN: 00011327

Pramod Yadav
Director
DIN:05264757

Place : Noida
Date : 15 May 2017

S.Kartik
Company Secretary

N.K.Agarwal
Chief Financial Officer

Jubilant Infrastructure Limited
Statement of Cash Flows for the year ended 31 March 2017

	For the year ended 31 March 2017	For the year ended 31 March 2016
A. Cash flow from operating activities		
Net profit before tax	171,133	233,584
Adjustments :		
Depreciation and amortisation expense	74,414	65,561
Loss/ (profit)/ on sale/ disposal of fixed assets (net)	1,441	(69)
Finance costs	737	1,565
Employee share based expenses	-	80
Unrealised foreign exchange	(1,427)	-
Interest income	(20,834)	(23,358)
Operating cash flow before working capital changes	**225,464**	**277,363**
(Increase)/decrease in trade receivables, other financial assets and other assets	(15,753)	41,998
(Increase)/decrease in inventories	(11,264)	10,491
Decrease in trade payables, provisions and other liabilities	(3,448)	(7,432)
Cash generated from operations	**194,999**	**322,420**
Income tax paid (net of refund)	(28,845)	(40,934)
Net cash generated from operating activities	**166,154**	**281,486**
B. Cash flow from investing activities		
Acquisition/ purchase of property, plant and equipment, intangibles/ Capital work-in-progress	(172,496)	(42,329)
Sale of property, plant and equipment	689	2,098
Purchase of investments	-	(1596)
Loan given to holding company	(140,000)	170,000
Loan received back from holding company	185,100	-
Interest received	34,170	40,592
Net cash used in investing activities	**(92,537)**	**168,765**
C. Cash flow arising from financing activities		
Principal proceeds/(repayments) under finance lease	1,057	(891)
Dividend paid (including dividend distribution tax)	(207,521)	(311,281)
Finance costs paid	(737)	(1565)
Net cash used in financing activities	**(207,201)**	**(313,737)**

Net decrease in cash and cash equivalents (A+B+C)	(133,584)	136,514
Add: cash and cash equivalents at the beginning of year	136,954	440
Cash and cash equivalents at the end of the year	3,370	136,954
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents (note 11))	3,370	136,954
Cash and cash equivalents	3,370	136,954

1. The Cash flow statement has been prepared under indirect method as set out in Ind AS -7 Statement of Cash Flows as notified under section 133 of the Companies Act, 2013.

Significant Accounting policies	2
Notes to the financial Statements	3-37

The accompanying notes form an integral part of the financial statements
As per report of even date attached

The accompanying notes form an integral part of the financial statements
As per report of even date attached

For **B S R & Co. LLP.**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

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

Pravin Tulsyan	**Shyamsundar Bang**	**Pramod Yadav**
Partner	Director	Director
Membership No: 108044	DIN: 00011327	DIN:05264757
Place : Noida	**S.Kartik**	**N.K.Agarwal**
Date : 15 May 2017	Company Secretary	Chief Financial Officer

Note 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 wholly owned subsidiary of Jubilant Life Sciences Limited. The Company is a SEZ Developer to provide infrastructure facilities to the SEZ units.

Note 2: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) *Statement of compliance*

These Standalone Ind AS Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, ("the Act") and other relevant provisions of the Act.

The financial statements up to and for the year ended 31 March 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (previous GAAP), notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Ind AS. Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 37.

(ii) *Historical cost convention*

The financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.

(b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when:

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

The Company classifies all other assets as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non current classification of assets and liabilities.

(c) Property, plant and equipment (PPE) and intangible assets

(i) Property, plant and equipment

Property, plant and equipment are stated at cost, which includes capitalized finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in- progress.

(ii) Intangible assets

- Intangible assets that are acquired (including implementation of software system) are measured initially at cost.
- After initial recognition, an intangible asset is carried at its cost less 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.

(iii) Depreciation and amortization methods, estimated useful lives and residual value

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

Leasehold land which qualifies as finance lease is amortised over the lease period on straight line basis.

Software systems are being amortised over a period of five years being their useful life. Rights are amortised over the lease term of contractual agreement with GIDC (Gujarat Industrial Development Corporation) for using water & effluent pipeline network.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation and amortization on property, plant and equipment and intangible assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(iv) Derecognition

A property, plant and equipment and intangible assets 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 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.

(v) Transition to Ind AS

On transition to Ind AS, the Company has elected to measure all its property, plant and equipment and intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition of Ind AS i.e, 1 April 2015.

(d) Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, are generally measured at the lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the Statement of Profit and Loss.

Once classified as held-for sale, property, plant and equipment and intangible assets are no longer amortised or depreciated.

(e) Impairment of non-financial assets

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(f) Financial instrument

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Transition to Ind AS

Under previous gaap, the Company has derecognized any assets or liabilities for accounting purposes as and when the asset was written off or liability written back. On transition to Ind AS, the Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition to Ind AS.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held‑for‑trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(g) Inventories

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realisable value.

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

Stores and spares	Weighted average method
Goods in transit	Cost of purchase

Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition inclusive of excise duty wherever applicable. Excise duty liability is included in the valuation of closing inventory of finished goods.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realisable value is made on an item-by-item basis.

(h) Cash and cash equivalents

Cash and cash equivalent comprise cash at banks and on hand (including imprest) and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(i) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(j) 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 unrecognized revenue (received in advance) is shown as unearned revenue.

(k) 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.

(ii) Post-employment *benefits:* Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

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 accounts based on actuarial valuation by an independent actuary. The gratuity liability for certain employees of the Company is funded with Life Insurance Corporation of India.

b) Provident fund

Provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan.

Company 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 an 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 recognizes 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.

Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. 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 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)

(l) Share-Based payment

Certain employees of the Company are in receipt of stock options from Jubilant Life Sciences Limited. The grant date fair value of options granted (net of estimated forfeiture) to employees of the Company is recognized as an employee expense. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "capital reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black- Scholes Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

Corresponding balance of a capital reserve is transferred to general reserve upon expiry of grants or upon exercise of stock options by an employee, as the Company is operating the Employee Stock Option schemes through Jubilant Employees Welfare Trust, which has purchased share from the secondary market..

(m) Finance costs

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalized as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalization. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

(n) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- ***Current tax:***

  Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

  Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

- ***Deferred tax:***

  Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

  Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability

  Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

For operations carried out in SEZs, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

(o) Leases

At the inception of each lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

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. A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly identified as the chief operating decision maker. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

(q) Foreign currency translation

(i) Functional and presentation currency

The functional currency of the Company in the Indian rupee. These financial statements are presented in Indian rupees.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at Balance Sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

(r) Earnings per share

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

(s) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

(t) Critical estimates and judgements

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes.

- Recognition and estimation of tax expense including deferred tax– Note 26
- Estimated impairment of financial assets and non-financial assets – Note 2(e) and 2(f)
- Assessment of useful life of property, plant and equipment and intangible asset – Note 2(c)
- Estimation of assets and obligations relating to employee benefits – Note 34
- Valuation of Inventories – Note 2(g)
- Recognition and measurement of contingency : Key assumption about the likelihood and magnitude of an outflow of resources – Note 32
- Lease classification – Note 33(d)
- Fair value measurement – Note 2(s)

(u) Recent accounting pronouncements

Applicable standards issued but not yet effective

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

The Company is evaluating the requirements of the amendment and the effect on the financial statements.

Jubilant Infrastructure Limited

Notes to the financial statements for the year ended 31 March 2017

Note 3 Property, Plant and equipment

(INR"000)

Description	Land-Leasehold	Building factory	Building Other	Plant and equipment	Furniture and fixtures	Vehicles owned	Vehicles leased	Office equipment	Total
Gross carrying Amount									
Deemed Cost as at 1 April 2015	222,739	36,700	250,568	700,512	5,136	882	1,668	9,051	1,227,256
Additions	-	-	20,879	171,480	-	275	950	660	1,94,244
Deductions	-	-		(295)	(63)		(1,471)	(360)	(2,189)
Gross carrying amount as at 31 March 2016	**222,739**	**36,700**	**271,447**	**871,697**	**5,073**	**1,157**	**1,147**	**9,351**	**1,419,311**
Accumulated depreciation as at 1 April 2015	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	1,967	1,308	23,962	31,255	763	572	309	4,613	64,749
Deductions	-	-	-	(21)	(20)	-	(71)	(48)	(160)
Accumulated depreciation as at 31 March 2016	**1,967**	**1,308**	**23,962**	**31,234**	**743**	**572**	**238**	**4,565**	**64,589**
Net carrying Amount as at 31 March 2016	**220,772**	**35,392**	**247,485**	**840,463**	**4,330**	**585**	**909**	**4,786**	**1,354,722**
Capital work in progress (CWIP)									
As at 31 March 2016									24,708
As at 1 April 2015									178,191

Description	Land-Leasehold	Building factory	Building Other	Plant and equipment	Furniture and fixtures	Vehicles owned	Vehicles leased	Office equipment	Total
Gross carrying amount as at 1 April 2016	**222,739**	**36,700**	**271,447**	**871,697**	**5,073**	**1,157**	**1,147**	**9,351**	**1,419,311**
Additions	146,711	-	24,706	3,313		2,660	1,499	1,449	180,338
Deductions	-	-	-	(1,790)	(518)	-	-	(138)	(2,446)
Gross carrying value as at 31 March 2017	**369,450**	**36,700**	**296,153**	**873,220**	**4,555**	**3,817**	**2,646**	**10,662**	**1,597,203**
Accumulated depreciation as at 1 April 2016	**1,967**	**1,308**	**23,962**	**31,234**	**743**	**572**	**238**	**4,565**	**64,589**
Depreciation charge for the year	2,832	1,304	27,016	38,353	742	226	476	2,655	73,604
Deductions	-	-	-	(110)	(165)	-	-	(42)	(317)
Accumulated depreciation as at 31 March 2017	**4,799**	**2,612**	**50,978**	**69,477**	**1,320**	**798**	**714**	**7,178**	**137,876**
Net carrying Amount as at 31 March 2017	**364,651**	**34,088**	**245,175**	**803,743**	**3,235**	**3,019**	**1,932**	**3,484**	**1,459,327**
Net carrying Amount as at 31 March 2016	**220,772**	**35,392**	**247,485**	**840,463**	**4,330**	**585**	**909**	**4,786**	**1,354,722**
Capital work in progress (CWIP)									
As at 31 March 2017									**11,073**
As at 31 March 2016									**24,708**

Notes:

1. During the current year, the Company acquired lease hold land from Jubilant Life Sciences Limited amounting of Rs.146,711 thousand on lease of 99 year.

Note 3(a) Intangible assets

(INR"000)

Description	Rights	Software	Total
Gross carrying Amount			
Deemed Cost as at 1 April 2015	68,473	317	**68,790**
Additions	-	-	-
Deductions	-	-	-
Gross carrying amount as at 31 March 2016	68,473	317	**68,790**
Accumulated amortisation as at 1 April 2015	-	-	-
Amortisation for the year	738	74	812
Deductions	-	-	-
Accumulated amortisation as at 31 March 2016	738	74	812
Net carrying Amount as at 31 March 2016	67,735	243	**67,978**

Description	Rights	Software	Total
Gross carrying Amount as at 1 April 2016	68,473	317	**68,790**
Additions	-	-	-
Deductions	-	-	-
Gross carrying amount as at 31 March 2017	68,473	317	**68,790**
Accumulated amortisation as at 1 April 2016	738	74	812
Amortisation for the year	736	74	810
Deductions	-	-	-
Accumulated amortisation as at 31 March 2017	1,474	148	1,622
Net carrying amount as at 31 March 2017	66,999	169	**67,168**
Net carrying amount as at 31 March 2016	67,735	243	**67,978**

Note 4: Non-current Investments

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Investments in equity instrument (at fair value through Other comprehensive income)			
Quoted equity shares (fully paid up)			
50,000 (31 March 2016: 50,000, 1 April 2015: 50,000) equity shares of Rs.10 each Jubilant Industries Limited	15,633	7,600	4,120
Unquoted equity shares (fully paid up)			
917,941 (31 March 2016: 917,941, 1 April 2015: 758,334 equity shares of Rs.10 each Forum I Aviation Limited	10,079	9,547	7,856
Total FVTOCI investments	**25,712**	**17,147**	**11,976**
Total non-current investments			
Aggregate amount of quoted investments	15,633	7,600	4,120
Aggregate market value of quoted investments	15,633	7,600	4,120
Aggregate amount of unquoted investments	10,079	9,547	7,856
Aggregate amount of impairment in value of investments	-	-	-

Note 5: Loans

(INR"000)

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	Current	**Non- current**	**Current**	**Non- current**	**Non- current**	**Current**
Unsecured, considered good						
Security deposits	-	7,299	20	7,299	-	7,319
Loan to related parties (refer note 31)	-	142,400	-	187,500	-	357,500
Loan to employees	-	44	12	31	5	175
Total loans	**-**	**149,743**	**32**	**194,830**	**5**	**364,994**

Note 6: Deferred tax

Deferred income tax reflect the net tax effects of temporary difference between the carrying amount of assets and liabilities for the financial reporting purposes and the amounts used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:-

Movements in deferred tax assets/ (liability):

	Provision for Compensated absences and gratuity	Accelerated depreciation for tax purposes	MAT Credit entitlement	Other items	Total
At 1 April 2015	5,090	(108,991)	61,936	-	**(41,965)**
Charged/(credited)					
- to Statement of profit and loss	271	(18,365)	43,388	323	25,617
- to other comprehensive income	(231)	-	-	-	(231)
As at 31 March 2016	**5,130**	**(127,356)**	**105,324**	**323**	**(16,579)**
Charged/(credited)					
- to statement of profit and loss	1,914	(19,463)	41,978	366	24,795
- to OCI	1,238	-	-	-	1,238
As at 31 March 2017	**8,282**	**(146,819)**	**147,302**	**689**	**9,454**

(INR"000)

Reflected in the balance sheet as follows:

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Deferred tax assets	156,273	110,777	67,026
Deferred tax liabilities:	146,819	127,357	108,991
Deferred tax asset/ (liability), net	9,454	(16,579)	(41,965)

Reconciliation of deferred tax assets (net):

(INR"000)

	As at 31 March 2017	As at 31 March 2016
Balance at the commencement of the year	(16,579)	(41,965)
Tax income/(expense) during the period recognised in statement of profit or loss	24,795	25,617
Tax income/(expense) during the period recognised in OCI	1,238	(231)
Balance at the end of the year	9,454	(16,579)

Note 7: Income tax (assets)/ Liabilities

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Opening Balance	(5,280)	(14,896)	(14,896)
Add: Current tax payable for the year	34,912	50,630	-
Less: Taxes paid	44,172	41,014	-
Add: Refund received during the year	15,325	-	-
Closing Balance	**785**	**(5,280)**	**(14,896)**

Reflected in the Balance Sheet as follows

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Current tax liabilities	954	10,215	-
Less: Income tax assets	(169)	(15495)	(14,896)
Current tax liabilities ,net	**785**	**(5,280)**	**(14,896)**

The Company offset 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 the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 8: Other non-current assets

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Capital advances	317	2	206
Prepayments	681	322	446
Total other non-current assets	**998**	**324**	**652**

Note 9: Inventories

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Stores and spares (Including goods in transit Rs.11,743 thousand (31 March 2016: Rs.133 thousand; 1 April 2015: Rs.19,356 thousand)	36,435	25,171	35,662
Total inventories	**36,435**	**25,171**	**35,662**

Note 10: Trade receivables

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Unsecured Considered Good and current			
Receivables from related parties (refer note 31)	101,380	101,283	133,194
Less: Expected credit loss allowance	-	-	-
Total receivables	101,380	101,283	133,194

Note 11: Cash and cash equivalents

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Balances with banks			
- in current accounts	3,147	136,721	367
Cash on hand	31	16	30
Cheques/ draft on hand	-	166	-
Others			
- Imprest	192	51	43
Total cash and cash equivalents	**3,370**	**136,954**	**440**

Note 12: Other financial assets

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Advances recoverable from related parties	-	13,327	30,566
Others	-	10	7
Total cash and cash equivalents	**-**	**13,337**	**30,573**

Note 13: Other current assets

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Prepayments	1,791	1,637	1,572
Recoverable from/balance with government authorities	15,107	405	6,725
Advance to employee	604	130	182
Advance for supply of goods and services	8	21	-
Insurance claims receivables	-	-	3,542
Assets held for sale*	4,804	4,804	4,804
Total other current assets	**22,314**	**6,997**	**16,825**

* Represents property, plant and equipments which are not considered for active use and are expected to be sold in due course

Note 14(a): Equity share capital

Equity share capital

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Authorised			
35,000,000 (31 March 2016 :35,000,000; 1 April 2015: 35,000,000) equity shares of Rs. 10 each	350,000	350,000	350,000
	350,000	**350,000**	**350,000**
Issued and subscribed			
33,94,000(31 March 2016 : 33,94,000; 1 April 2015: 33,94,000) equity shares of Rs. 10 each	344,840	344,840	344,840
	344,840	**344,840**	**344,840**
Paid up			
33,94,000(31 March 2016 : 33,94,000; 1 April 2015: 33,94,000) equity shares of Rs.10 each	344,840	344,840	344,840
	344,840	**344,840**	**344,840**

Movements in equity share capital

	As at 31 March 2017		**As at 31 March 2016**		**As at 1 April 2015**	
	Number	**INR"000**	**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	34,484,000	344,840

Terms and rights attached to equity shares

The Company has only one class of shares referred to as equity shares having par value of Rs.10 each. Holder of each equity share is entitled to one vote per share. 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shares held by holding company/ultimate holding company:

Name of the shareholder	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	Number	% of total shares	Number	% of total shares	Number	% of total shares
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%	34,484,000	100%

Details of shareholders holding more than 5% shares in the Company

Equity shares of `10 each fully paid-up held by	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	Number	% of total shares	Number	% of total shares	Number	% of total shares
Jubilant Life Sciences Limited - The holding company	34,484,000	100%	34,484,000	100%	34,484,000	100%

Note 14(b): Nature and purpose of other equity

Capital reserve

Capital reserve represents accumulated capital surplus not available for distribution of dividend. The reserve is expected to remain invested permanently.

Securities premium reserve

Securities premium reserve represents the unutilised accumulated excess of issue price over face value on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

Equity instrument through OCI

The Company has elected to recognize changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity instrument through OCI within equity. The Company transfers amount therefrom to retained earnings when the relevant equity securities are derecognized

Note 15: Non-current borrowings

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Long term maturity of finance lease obligations (secured)	1,989	933	1,824
	1,989	**933**	**1,824**
Less: current maturities of financial lease obligation (refer note 19)	(513)	(262)	(709)
Non-current borrowings (as per balance sheet)	**1,476**	**671**	**1,115**

*Finance lease obligations are secured by hypothecation of specific assets taken under such lease. The same are repayable within five years.

Note 16: Provisions

(INR"000)

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Provision for employee benefits (refer note 34)	7,194	16,738	2,960	11,863	3,179	12.589
Total provisions	**7,194**	**16,738**	**2,960**	**11,863**	**3,179**	**12,589**

Note 17: Other liabilities

(INR"000)

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	Current	**Non-current**	**Current**	**Non-current**	**Current**	**Non-current**
Unearned revenue	16,801	282,346	16,801	299,146	16,801	315,947
Statutory dues payables	3,012	-	3,552	-	2,219	-
Total other current liabilities	**19,813**	**282,346**	**20,353**	**299,146**	**19,020**	**315,947**

Note 18: Trade payables

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Trade payables	70,892	23,827	58,207
Trade payables to related parties (note 31)	516	36,080	234
Total trade payables	**71,408**	**59,907**	**58,441**

18(a) Micro, Small and Medium Enterprises

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 2017. The information as required to be disclosed in relation to 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 2017**	**As at 31 March 2016**	**As at 1 April 2015**
The principal amount remaining unpaid to any supplier as at the end of the year	698	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 the 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	-	-	-

Note 19: Other financial liabilities

(INR"000)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Current			
Current maturities of finance lease obligations (refer note 15)	513	262	709
Capital creditors	2,818	8,294	10,067
Employee benefits payable	8,082	12,650	5,804
Total other current financial liabilities	**11,413**	**21,206**	**16,580**

Note 20: Revenue from operations

(INR"000)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Sale of services	663,496	850,621
Other operating revenue *	16,324	15,734
Total revenue from operations	**679,820**	**866,355**

* Other operating revenues is in the nature of scrap sales and liabilities write back, Lease Rental etc

Break up of Sale of Services (INR"000)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Income from utility services rendered	663,496	850,621
	663,496	**850,621**

Break up of other operating revenue

(INR"000)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Lease rental income	16,324	15,645
Others	-	89
	16,324	**15,734**

Note 21: Other income

(INR"000)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Interest Income	20,834	23,358
Net gain on disposal of property, plant and equipment	-	69
Net foreign exchange gain	1,427	-
Other items (Including VAT credit allowed in current year Rs. 13,895(Previous year NIL)	13,906	54
Total other income	**36,167**	**23,481**

Note 22: Employee benefits expense

(INR"000)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Salaries, wages, bonus and allowances	126,507	124,135
Contribution to provident and other funds	6,107	5,985
Employee share based payment expense	-	80
Staff welfare expenses	13,275	14,738
Total employee benefit expense	**145,889**	**144,938**

Note 23: Finance costs

(INR"000)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Interest Expenses	737	1,565
Total Finance costs	**737**	**1,565**

Note 24: Depreciation and amortisation expense

(INR"000)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Depreciation of property, plant and equipment	73,604	64,749
Amortisation of intangible assets	810	812
Total depreciation and amortisation expense	**74,414**	**65,561**

Note 25: Other expenses

(INR"000)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Power and fuel	33,967	39,356
Consumption of stores and spares and packing materials	240,574	362,877
Rental charges	754	689
Rates and taxes	3,111	2,888
Insurance	1,003	1,070
Advertisement, publicity and sales promotion	240	56
Travel and conveyance	4,134	3,791
Repairs and maintenance		
Plant and machinery	13,933	11,644
Buildings	586	1,178
Others	11,381	10,597
Vehicle running and maintenance	1,296	762
Printing and stationery	1,134	1,356
Telephone and communication charges	1,220	1,331
Staff recruitment and training	1,210	1,141
Donation (Refer note 31)	2,740	-
Payments to auditors (refer note 25(a) below)	380	480
Legal and professional fees	3,911	2,627
Miscellaneous expenses	798	2,345
Loss on sale/disposal/discard of fixed assets (net)	1,441	-
Total other expenses	**323,814**	**444,188**

Note:

Corporate social responsibility (CSR) : Expenditure incurred under section 135 of the Companies Act, 2013 on Corporate Social responsibility (CSR) activities is included under donation.

Note 25(a): Details of payments to auditors (including out of pocket expense)

(INR"000)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Payment to auditors		
As auditor:		
Audit fee	300	300
Tax audit fee	-	50
In other capacities		
Certification fees	80	130
Total payments to auditors	**380**	**480**

Note 26: Tax expense
The major components of income tax expense for the year ended 31 March 2017 and 31 March 2016 are:.

(INR"000)

Particulars	**Year ended 31 March 2017**	**Year ended 31 March 2016**
Current Income Tax:-		
Current income tax charge for the year	34,912	51,230
Adjustments in respect of current income tax of previous year	-	(680)
Total current tax expense	34,912	50,550
Deferred tax		
Deferred tax on profits for the year	17,182	17,773
Adjustments in respect of Deferred tax of previous year	-	-
Total deferred tax expense/(benefit)	**17,182**	**17,773**
Mat Credit Entitlement		
MAT credit on profits for the year	(28,023)	43,488
Adjustments in respect of MAT credit of previous year	(13,955)	(100)
Total MAT Credit Entitlement	**(41,978)**	**(43,388)**
Income tax expense reported in the statement of profit and loss	**10,116**	**24,935**
OCI section		
Tax related to items that will not be reclassified to Profit & Loss:	(1,238)	231
Income tax charged to OCI	**(1,238)**	**231**

Reconciliation between average effective tax rate and applicable tax rate for 31 March 2017 and 31 March 2016:

(INR"000)

Particulars	**31 March 2017**	**31 March 2016**
Accounting profit before income tax	**171,133**	**233,584**
At India's statutory income tax rate of 34.608% (31 March 2016: 34.608%)	59,226	80,838
- Effect of non-deductible expenses	177	463
- Effect of unrecognized deferred tax due to tax holiday period	7,328	1,106
- Effect of deduction allowed for operator of SEZ	(42,728)	(57,588)
- Unrecognised deferred tax of previous year now recognised	(13,954)	(579)
- Others	67	695
Income tax expense reported in the statement of profit and loss	**10,116**	**24,935**

Note 27: Fair value measurements

(INR"000)

	Note	Level of hierarchy	31 March 2017 FVPI	31 March 2017 FVOCI	31 March 2017 Amortised cost	31 March 2016 FVPI	31 March 2016 FVOCI	31 March 2016 Amortise d cost	1 April 2015 FVPI	1 April 2015 FVOCI	1 April 2015 Amortised cost
Financial assets											
Investment in Equity instruments	(c)	3	-	25,712	-	-	17,147	-	-	11,976	-
Trade Receivable	(a)		-	-	101,380	-	-	101,283	-	-	133,194
Cash and cash equivalents	(a)		-	-	3,370	-	-	136,954	-	-	440
Loans	(d)				149,743	-	-	194,862	-	-	364,999
Other financial assets	(a, b)		-	-	-	-	-	13,337	-	-	30,573
Total financial assets			**-**	**25,712**	**254,493**	**-**	**17,147**	**446,436**	**-**	**11,976**	**529,206**
Financial Liabilities											
Non Current Borrowings	(e)	3	-	-	1,476	-	-	671	-	-	1,115
Trade payable	(a)		-	-	71,408	-	-	59,907	-	-	58,441
Other financial liabilities	(a)		-	-	11,413	-	-	21,206	-	-	16,580
Total financial assets			**-**	**-**	**84,297**	**-**	**-**	**81,784**	**-**	**-**	**76,136**

Note:

- **(a)** Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- **(b)** Fair value of non-current financial assets has not been disclosed as there is no significant difference between carrying value and fair value.
- **(c)** The fair value is determined by using the valuation model/technique with observable/non-observable inputs and assumptions.
- **(d)** The fair value of loans given is below:

	Level	Fair Value 31 March 2017	Fair Value 31 March 2016	Fair Value 1 April 2015
Loans *	3	149,743	194,862	364,999
		149,743	**194,862**	**364,999**

*The Fair value of loans is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance income over the life of the loan and current market interest rates.

- **(e)** The fair value of borrowing given is below:

	Level	Fair Value 31 March 2017	Fair Value 31 March 2016	Fair Value 1 April 2015
Borrowing *	3	1,476	671	1,115
		1,476	**671**	**1,115**

*The Fair value of borrowing is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance cost over the life of the loan and current market interest rates.

There are no transfers between level 1, Level 2 and Level 3 during the year ended 31 March 2017 and 31 March 2016.

Reconciliation of Level III fair value measurement:

(INR"000)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Opening balance	17,147	11,976
Additional investment	-	1,596
Gain/loss recognized in other comprehensive income	8,565	3,575
Closing balance	**25,712**	**17,147**

Note 28: Financial risk management

A. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The risk management framework is intended to ensure that risks are taken care with due diligence.

The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board oversee the formulation and implementation of the Risk management policies. The risks are indentified, and mitigation plans are identified, deliberated and reviewed at appropriate forum.
The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investment.
The carrying amount of financial assets represents the maximum credit exposure.

Trade receivable and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables:

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 month (net of expected credit loss allowance), is ` Rs. Nil (31 March 2016: ` Nil, 1 April 2015: ` Nil)

Expected credit loss on financial assets other than trade receivables:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by Treasury. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

<u>Exposure to liquidity risk:</u>

The following are the remaining contractual maturities of financial liabilities at the respective date, the amount are gross and credit covered, and include contractual indent payment and exclude the impact of netting adjustments.

(INR"000)

	Contractual Cash flows			
31 March 2017	**Carrying Amount**	**Total**	**Within 1 year**	**More than 1 year**
Non-derivative financial liabilities				
Trade payables	71,408	71,408	71,408	-
Other financial liabilities	11,413	11,413	11,413	-

(INR"000)

	Contractual Cash flows			
31 March 2016	**Carrying Amount**	**Total**	**Within 1 year**	**More than 1 year**
Non-derivative financial liabilities				
Trade payables	59,907	59,907	59,907	-
Other financial liabilities	21,206	21,206	21,206	-

(INR"000)

	Contractual Cash flows			
1 April 2015	**Carrying Amount**	**Total**	**Within 1 year**	**More than 1 year**
Non-derivative financial liabilities				
Trade payables	58,441	58,441	58,441	-
Other financial liabilities	16,580	16,580	16,580	-

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The currencies in which these transactions are primarily denominated are USD.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows.

(In"000)

	31 March 2017		31 March 2016		1 April 2015	
	USD	**Other**	**USD**	**Other**	**USD**	**Other**
Trade payables	**537**	-	-	-	-	-
Net statement of financial position exposure						

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(INR"000)

	Profit or loss (before tax)	
	Strengthening	**Weakening**
31 March 2017		
USD (1% movement)	**(349)**	**349**
31 March 2016		
USD (1% movement)	-	-
1 April 2015		
USD (1% movement)	-	-

Interest rate risk

The Company has not borrowed any loan other than vehicle finance lease so there is no interest rate risk.

Note 29: Capital management

(a) Risk management

The Company objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings (excluding finance lease)net of cash and cash equivalents)
Divided by
Total 'equity' (as shown in the balance sheet).

The Company having nil borrowing as on 31 march 2017 (31 March 2016: Rs Nil; 1 April 2015: Rs Nil)

b) Dividends

(INR"000)

Particulars	31 March 2017	31 March 2016
(i) Equity shares		
Final dividend for the year ended 31 March 2016 of Rs 5 (31 March 2015 – Rs. 7.50) per fully paid equity share	172,420	258,630

(ii) Dividends not recognised at the end of the reporting period

In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Rs. 3.50 per fully paid equity share (31 March 2016: Rs.5). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

Note 30: Segment information

An operating Segment is a component that engaged is business activities of which it may earns revenues and incurs expenses, including revenue and expenses that relate to transaction with any of the other components, as far which discrete financial information is available. This Company considered one business segment i.e. Infrastructure services as the primary reporting segment on the basis that the risk and returns of the Company primarily determined by the nature of products and services. Chief operating decision make of the Company is board, which reviewed the periodic result of the Company.

Segment Reporting- Geographical Segments

The Company earns all revenue from one customer in India and has all non-current assets located in India.

Note 31: Related Party Disclosures

1. **Name of the Related Parties**

Particulars	31 March 2017	31 March 2016	1 April 2015
Holding Company/ultimate holding Company	Jubilant Life Sciences Limited	Jubilant Life Sciences Limited	Jubilant Life Sciences Limited
Key management personnel (KMP)	Mr. Shyamsundar Bang	Mr. Shyamsundar Bang	Mr. Shyamsundar Bang
	N.A.	Mr. Praveen Kumar Gupta (till 31 August 2015)	Mr. Praveen Kumar Gupta
	Mr. N K Agarwal	Mr. N K Agarwal	Mr. N K Agarwal (w.e.f 31 March 2015)
	Mr. Bhupal Singh (up to 19 August 2016)	Mr. Bhupal Singh (w.e.f 1 Sept.2015)	N.A.
	Mr. Kartik Subrahanian Iyer (w.e.f 22 August 2016)	N.A.	N.A.
Others	Jubilant Industries Ltd	Jubilant Industries Ltd	Jubilant Industries Ltd
	Jubilant Bhartia Foundation	Jubilant Bhartia Foundation	Jubilant Bhartia Foundation
	Jubilant Generics Ltd	N.A.	N.A.

31 March 2017 (INR"000)

Sr.No	Particulars	Holding Company	Key management personnel and relatives	Others	Total
Description of Transactions:					
1.	**Sales of Goods and Services:**				
	Jubilant Life Sciences Limited	646,681	-	-	646,681
	Jubilant Generics Ltd	-	-	**14**	14
		646,681	**-**	**14**	**646,695**
2.	**Rental and Other Income:**				
	Jubilant Life Sciences Limited	16,324	-	-	16,324
		16,324	**-**	**-**	**16,324**
3.	**Purchase of Goods and Services:**				
	Jubilant Life Sciences Limited	2,793	-	-	2,793
		2,793	**-**	**-**	**2,793**
4.	**Recovery of Expenses:**				
	Jubilant Life Sciences Limited	673	-	-	673
		673	**-**	**-**	**673**
5.	**Reimbursement of Expenses:**				
	Jubilant Life Sciences Limited	66,379	-		66,379
		66,379	**-**	**-**	**66,379**
6.	**Remuneration and Related Expenses:**				
	Mr N.K.Agarwal*	-	5,577	-	5,577
		-	**5,577**	**-**	**5,577**
7.	**Donation:**				
	Jubilant Bhartia Foundation	-	-	2,740	2,740
					2,740
8.	**Dividned Paid**	172,420	-	-	172,420
	Jubilant Life Sciences Limited				
		172,420	**-**	**-**	**172,420**
9.	**Loans Received Back:**				
	Jubilant Life Sciences Limited	185,100	-	-	185,100
		185,100	**-**	**-**	**185,100**
10.	**Loan Given**				
	Jubilant Life Sciences Limited	140,000	-	-	140,000
		140,000	**-**	**-**	**140,000**
11.	**Land Purchase**				
	Jubilant Life Sciences Limited	146,711	-	-	146,711
		146,711	**-**	**-**	**146,711**
12.	**Amount outstanding:** **Trade and other payables:**				
	Jubilant Life Sciences Limited	516	-	-	516
		516	**-**	**-**	**516**
13.	**Loans Recoverable:**				
	Jubilant Life Sciences Limited	-	-	142,400	142,400
			-	**142400**	**142400**
14.	**Trade Receivables:**				
	Jubilant Life Sciences Limited	101,380	-	-	101,380
		101,380	**-**	**-**	**101,380**

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

31 March 2016 (INR"000)

Sr.No	Particulars	Holding Company	Key management personnel and relatives	Others	Total
Description of Transactions:					
1.	**Sales of Goods and Services:**				
	Jubilant Life Sciences Limited	833,821	-	-	833,821
		833,821	**-**	**-**	**833,821**
2.	**Rental and Other Income:**				
	Jubilant Life Sciences Limited	15,645	-	-	15,645
		15,645	**-**	**-**	**15,645**
3.	**Purchase of Goods and Services:**				
	Jubilant Life Sciences Limited	41,479	-	-	41,479
		41,479	**-**	**-**	**41,479**
4.	**Recovery of Expenses:**				
	Jubilant Life Sciences Limited	70	-	-	70
		70	**-**	**-**	**70**
5.	**Reimbursement of Expenses:**				
	Jubilant Life Sciences Limited	123,019	-	-	123,019
		123,019	**-**	**-**	**123,019**
6.	**Remuneration and Related Expenses:**				
	Mr N.K.Agarwal*	-	4,827	-	4,827
			4,827	**-**	**4,827**
7.	**Dividned Paid**				
	Jubilant Life Sciences Limited	258,630	-	-	258,630
		258,630	**-**	**-**	**258,630**
8.	**Loans Received Back:**				
	Jubilant Life Sciences Limited	170,000			170,000
		170,000	**-**	**-**	**170,000**
9.	**Amount Outstanding:** **Trade and other payables:**				
	Jubilant Life Sciences Limited	36,080	-	-	36,080
10.	**Loans Recoverable:**				
	Jubilant Life Sciences Limited	-	-	187,500	187,500
				187,500	**187,500**
11.	**Trade Receivables:**				
	Jubilant Life Sciences Limited	101,283	-	-	101,283
		101,283	**-**	**-**	**101,283**
12.	**Other Recoverable (Interest on ICD)**				
	Jubilant Life Sciences Limited	13,327	-	-	13,327
		13,327	**-**	**-**	**13,327**

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

01 April 2015 (INR"000)

Sr.No	Particulars	Holding Company	Key management personnel and relatives	Others	Total
1.	**Amount Outstanding:** **Trade and other payables:**				
	Jubilant Life Sciences Ltd	234	-	-	234
	Jubilant Bhartia Foundation	-	-	2,300	2,300
		234	**-**	**2,300**	**2,534**
2.	**Loans Recoverable:**				
	Jubilant Life Sciences Ltd	357,500	-	-	357,500
		357,500	**-**	**-**	**357,500**
3.	**Trade Receivables:**				
	Jubilant Life Sciences Ltd	133,194	-	-	133,194
		133,194	**-**	**-**	**133,194**
4.	**Other Recoverable: (Interest on ICD)**				
	Jubilant Life Sciences Ltd	30,566	-	-	30,566
		30,566	**-**	**-**	**30,566**

Note 32: Contingent liabilities and contingent assets

Contingent liabilities to the extent not provided for:

A. Claims against Company, disputed by the Company, not acknowledged as debt:

(INR"000)

Particular	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Service Tax	344	-	-

B. Other contingent liabilities as at 31 March 2017:

Purchase obligation on account of shortfall in FY 15-16 for procurement of gas from Gail (India) Limited amounting to Rs.3,178 thousand.

Note 33: Commitments as at year end

a) Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account (Net of advances) is Rs. 316 thousand (31 March 2016: Rs. 4,521 thousand, 1 April 2015: Rs. 8,560 thousand).

b) Leases:

i) The company significant operating lease arrangements are in respect of premises (residential.). These leasing arrangements, which are cancellable, range between 11 months and 10 years generally and are usually renewable by mutual agreeable terms. The aggregate lease rentals payable are charged as expenses. Rental payments under such leases are Rs. 754 Thousand (31 March 2016: Rs. 689 Thousand).

ii) 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 payments in respect of non-cancellable operating leases is set out below:

(INR"000)

Particulars	Minimum lease payments		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Not later than one year	16,615	16,324	15,645
Later than one year but not later than five years	72,372	70,056	68,105
Later than five years	305,652	324, 583	342,859

Rental Income recognised under such leases during the current year are Rs.16,324 thousand (31 March 2016: Rs.15,645 thousand).

iii) Assets acquired under finance lease:

The Company has taken vehicles under finance lease. Future minimum lease payments and their present values under finance leases are as follows:

(INR"000)

Particulars	Minimum lease payments			Present value of minimum lease payments			Future interest		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Not later than one year	742	367	904	514	262	709	228	105	195
Later than one year but not later than five years	1,719	822	1,226	1,476	671	1,115	243	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.

Note 34. Employee Benefits in respect of the Company have been calculated as under:

(A) Defined Contribution Plans

a. Provident Fund

During the year the Company has contributed following amounts to:

(INR'000)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Employers contribution to provident fund	3,654	3,342
Employers contribution to employee's pension scheme 1995	1,938	2,042

(B) Defined Benefit Plans

i. Gratuity

In accordance with Ind AS 19 ”Employee Benefits” liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The discount rate assumed is 7.50% p.a. (31 March 2016: 7.90 % p.a., 1 April 2015: 7.74 % p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (31 March 2016: 58 years, 1 April 2015: 58 years) and mortality table is as per IALM (2006-08) (31 March 2016: IALM (2006-08), 1 April 2015: IALM (2006-08)).

The estimates of future salary increases, considered in actuarial valuation is 10% p.a. for first three years and 6% p.a. thereafter (31 March 2016: 10% p.a. for first three years and 6% p.a. thereafter, 1 April 2015: 10% p.a. for first three years and 6% p.a. thereafter), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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

(INR’000)

Particulars	31 March 2017	31 March 2016
Present value of obligation at the beginning of the year	8,524	8,353
Current service cost	2,125	1,729
Interest cost	674	646
Actuarial (gain)/ loss	3,576	(668)
Benefits paid	(768)	(1,536)
Present value of obligation at the end of the year	14,131	8,524

Reconciliation of the present value of defined benefit obligation:

(INR”000)

Particulars	31 March 2017	31 March 2016	1 April 2015
Present value of obligation at the end of the year	14,131	8,524	8,353
Net liabilities recognised in the Balance Sheet	14,131	8,524	8,353

Expense recognised in the statement of profit and loss under employee benefit expense:

(INR”000)

Particulars	31 March 2017	31 March 2016
Current service cost	2,125	1,729
Interest cost	674	646
Actuarial (gain)/loss	3,576	(668)
Net expense recognised in the statement of profit and loss	6,375	1,707

Amount recognised in the statement of other comprehensive income:

(INR"000)

Particulars	31 March 2017	31 March 2016
Actuarial (Gain)/Loss due to Demographic Assumption change	(40)	(11)
Actuarial (Gain)/Loss due to Financial Assumption change	205	(65)
Actuarial (Gain)/Loss due to Experience Adjustment	3,411	(592)
Amount recognised in the statement of other comprehensive income	3,576	(668)

Company best estimate of contribution during next year is 3,176 Thousand (31 March 2016: 2,521 Thousand)

Sensitivity analysis

(INR"000)

Particulars	31 March 2017		31 March 2017	
Assumptions	**Discount rate**		**Future salary increase**	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(261)	273	274	(264)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumption occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumption constant.

(A) Other long term benefits:

(INR"000)

	31 March 2017	31 March 2016	1 April 2015
Present value of obligation at the end of the year	9,800	6,299	7,415

Note 35: Disclosure on Specified Bank Notes

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification,G.S.R 308(E), dated 31 March 2017. The details of SBNs held and transacted during the period from 8 Nov 2016to 30 Dec 2016, the denomination-wise SBNs and other notes as per notification are as follows:

(INR"000)

Particular	SBNs (1)	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	24	15	39
(+) Permitted receipts	-	114	114
(-) Permitted payments	-	(116)	(116)
(-) Amount deposited in Banks	(24)	-	(24)
Closing cash in hand as on 30.12.2016	-	13	13

1.For the purpose of this clause, ther term "specified bank Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407(E), dated 8 Nov 2016.

Note 36: Transfer Pricing

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

Note 37: First-time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with lnd AS.

The significant policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening lnd AS balance sheet at 1 April 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to lnd AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. **Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions

1**. Deemed cost**

lnd AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property. plant and equipment as rccognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

2. **De-recognition of financial assets and liabilities**

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting tor those transactions.
The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Ind AS mandatory exceptions

1. Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous (GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

Investment in equity instruments carried at FVOCI

Impairment of financial assets based on expected credit loss model.

Determination of the discounted value for financial instruments curried at amortised cost.

2. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of the facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.
Accordingly, the Company has determined the classification of financial assets based of financial on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity (INR"000)

		As at date of transition 1 April 2015			As at 31 March 2016		
	Notes to first-time adoption	**Previous GAAP ***	**Adjustments on Transitions to Ind AS**	**Ind AS**	**Previous GAAP ***	**Adjustments on Transitions to Ind AS**	**Ind AS**
ASSETS							
Non-current assets							
Property, plant and equipment		1,227,256	-	1,227,256	1,354,722	-	1,354,722
Capital work-in-progress		178,191	-	178,191	24,708	-	24,708
Other intangible assets		68,790	-	68,790	67,978	-	67,978
Financial assets:							
i. Investments	1	2,524	9,452	11,976	4,120	13,027	17,147
ii. Loans		364,994	-	364,994	194,830	-	194,830
iii. Other financial assets	7	29,516	(29516)	-	33892	(33,892)	-
Income tax asset (net)		14,896	-	14,896	15,495	-	15,495
Other non-current assets		652		652	324	-)	324
Total non-current assets		**1,886,819**	**(20,064)**	**1,866,755**	**1,696,069**	**(20,865)**	**1,675,204**
Current assets							
Inventories		35,662	-	35,662	25,171	-	25,171
Financial assets							
i. Trade receivables		133,194	-	133,194	101,283	-	101,283
ii. Cash and cash equivalents		440	-	440	136,954	-	136,954
iii. Loans		5	-	5	32	-	32
iv. Other financial assets		30,573	-	30,573	13,337	-	13,337
Other current assets		16,825	-	16,825	6,997	-	6,997
Total current assets		**216,699**	**-**	**216,699**	**283,774**	**-**	**283,774**
Total assets		**2,103,518**	**(20,064)**	**2,083,454**	**1,979,843**	**(20,865)**	**1,958,978**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Reconciliation of equity (INR"000)

	Notes to first-time adoption	As at date of transition 1 April 2015			As at 31 March 2016		
		Previous GAAP *	**Adjustments on Transitions to Ind AS**	**Ind AS**	**Previous GAAP ***	**Adjustments on Transitions to Ind AS**	**Ind AS**
EQUITY AND LIABILITIES							
Equity							
Equity share capital		344,840	-	344,840	344,840	-	344,840
Other equity	**6**	968,529	301,249	1,269,778	972,531	198,707	1,171,238
Total equity		**1,313,369**	**301,249**	**1,614,618**	**1,317,371**	**198,707**	**1,516,078**
LIABILITIES							
Financial Liabilities							
i. Borrowings		1,115	-	1,115	671	-	671
Provisions		12,589	-	12,589	11,863	-	11,863
Deferred tax liabilities (net)	**2**	51,997	(10,032)	41,965	28,630	(12,051)	16,579
Other non-current liabilities		315,947	-	315,947	299,146	-	299,146
Total non-current liabilities		**381,648**	**(10,032)**	**371,616**	**340,310**	**(12,051)**	**328,259**
Current liabilities							
Financial liabilities							
i. Trade payables		58,441	-	58,441	59,907	-	59,907
ii. Other financial liabilities		16,580	-	16,580	21,206	-	21,206
Other current liabilities		19,020	-	19,020	20,353	-	20,353
Provisions	**3**	314,460	(311,281)	3,179	210,481	(207,521)	2,960
Current tax liabilities		-	-	-	10,215		10,215
Total current liabilities		**408,501**	**(311,281)**	**97,220**	**322,162**	**(207,521)**	**114,641**
Total liabilities		**790,149**	**(321,313)**	**468,836**	**662,472**	**(219,572)**	**442,900**
Total equity and liabilities		**2,103,518**	**(20,064)**	**2,083,454**	**1,979,843**	**(20,865)**	**1,958,978**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Reconciliation of statement of profit or loss as previously reported under previous GAAP to Ind AS

		For the year ended 31 March 2016		
	Notes to first-time adoption	**Previous GAAP ***	**Adjustment on transition to Ind AS**	**Ind AS**
Revenue from operations	7	870,730	(4,375)	866,355
Other income		23,481	-	23,481
Total income		**894,211**	**(4,375)**	**889,836**
Expenses				
Employee benefit expense	4,5	144,189	749	144,938
Finance costs		1,565	-	1,565
Depreciation and amortization expense		65,561	-	65,561
Other expenses		444,188	-	444,188
Total expenses		**655,503**	**749**	**656,252**
Profit before tax		**238,708**	**(5,124)**	**233,584**
Tax expense				
- Current tax		50,550	-	50,550
- Deferred tax		20,023	(2,250)	17,773
- MAT credit entitlement		(43,388)	-	(43,388)
Total tax expense		**27,185**	**(2,250)**	**24,935**
Profit for the year		211,523	(2,874)	208,649
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Changes in fair value of investments which are classified at fair value through OCI	1	-	3,575	3,575
Re-measurement of post-employment benefit obligations	4	-	668	668
Income tax relating to these items		-	(231)	(231)
Other comprehensive income for the year, net of tax		-	4,012	4,012
Total comprehensive income		**211,523**	**1,138**	**212,661**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Equity Reconciliation

	Notes to first time adoption	31 March 2016	1 April 2015
Reported under previous GAAP		1,317,371	1,313,369
Adjustments:			
Fair valuation of investments	1	13,027	9,452
Proposed dividend	3	207,521	311,281
Tax effects of adjustments		12,051	10,032
Reversal of Lease Equilisation Reserve	7	(33,892)	(29,516)
Total adjustments		**198,707**	**301,249**
Total equity as per Ind AS		**1,516,078**	**1,614,618**

Statements of cash flows:

Other than effect of certain reclassifications due to difference in presentation, there was no other material effect of cash flow from operating, financing, investing activities for all periods presented

Note 1: Fair valuation of investments

Under the previous GAAP investments in equity instruments and other instruments were classified as long-term investments or current investments based on the intended holding period and reliability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognized in FVOCI- Equity investments reserve as at the date of transition and subsequently in the other comprehensive income for the year ended 31 March 2016. This increased total equity and other reserves by Rs.13,027 thousand as at 31 March 2016 (I April 2015 – Rs 9,452 thousand) and other comprehensive income for the year ended 31 March 2016 by Rs 3,575 thousand.

Note 2: Deferred taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recogniscd in correlation to the underlying transaction either in retained earnings or a separate component of equity. On the date of transition, the net impact on deferred tax liabilities is of Rs 12,051 thousand (1 April 2015: Rs 10,032 thousand).

Note 3: Proposed dividend

Under the previous GAAP dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend of Rs 172,420 thousand as at 31 March 2016 (1April 2015 Rs 258,630 thousand) included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

Note 4: Re-measurements of post-employment benefit obligations

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in the other comprehensive income instead of statement of profit and loss. Under the previous GAAP, these re- measurements were forming part of statement of profit and loss for the year. As a result of this change, the profit before tax for the year ended March 31, 2016 decreased by Rs 669 thousand. There is no impact on the total equity as at 31 March 2016.

Note 5: Employee stock option expense

Under the previous GAAP, the cost of equity-settled employee share-based plan were recognised using the intrinsic value method. Under Ind AS, the cost of equity settled share-based plan is rccognised based on the fair value of the options as at the grant date. Consequently, the amount recognised in share option outstanding account increased by Rs.1,419 thousand as at 31 March 2016 (1April 2015 Rs.1,339 thousand). There is no impact on total equity.

Note 6: Other comprehensive income

Under Ind AS, all Items or income and expense rccogniscd in a period should be included in statement of profit and loss for the period. Unless a standard require, or permits otherwise. Items or income and expense that are not recognised in the profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and foreign exchange differences arising on translation of foreign operations. The concept of other comprehensive income did not exist under previous GAAP.

Note 7: Lease equalization reserve

Under the previous GAAP, lease rentals for the operating lease, were required to be recognized as income on straight line basis over the lease term by recognizing corresponding lease equalization reserve. However, under Ind AS, there is no such requirement unless under specific circumstances as specified in the Ind AS accordingly, other financial assets as at 31 March 2016 has been reduced by Rs. 33,892 thousand (1 April 2015: Rs 29,516 thousand) correspodaing adjustment to retained earnings. The other operating income for the year ended 31 March 2016 is reduced by 4,375 Thousand.

Note 38: Earnings per share

INR"000

		Year ended 31 March 2017	Year ended 31 March 2016
Profit for basic and diluted earnings per share of Rs.10 each		**161,017**	**208,649**
Weighted average number of equity shares used in computing earnings per share*			
For basic earnings per share/ diluted earnings per share	Nos	34,484,000	34,484,000
Earnings per share (face value of Rs.10 each)			
Basic (Rs.)	Rupees	4.67	6.05
Diluted (Rs.)	Rupees	4.67	6.05

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The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP.
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

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

Pravin Tulsyan
Partner
Membership No: 108044

Shyamsundar Bang
Director
DIN: 00011327

Pramod Yadav
Director
DIN:05264757

Place : Noida
Date : 15 May 2017

S.Kartik
Company Secretary

N.K.Agarwal
Chief Financial Officer