JSW Cement

Annual Report 2019-20

BETTER EVERYDAY

A true visionary,
A legendary industrialist,
A great philanthropist,
A legacy that will always be cherished!

Shri O.P. Jindal | *7th August 1930 - 31st March 2005*
Founder and Visionary, O. P. Jindal Group

His life was an inspirational journey leading millions to follow the enlightened path.
We will always carry on his values, an epitome of indomitable courage, endurance and integrity, his legacy will always remain with us.
As we take leaps towards the future, we are fully committed to honor his vision and keep his legacy alive & carrying it forward to greater heights.

JSW Cement is one of the leading manufacturers of green cement in India. We believe in sustainable growth and are consciously contributing towards building a self-reliant India by manufacturing the building blocks of India's development story with our world-class cement.

Contents

Corporate overview

Highlights for FY2020

Financial metrics

₹2,927 Crores

TOTAL REVENUE

₹601.8 Crores

OPERATING EBITDA

Social metrics

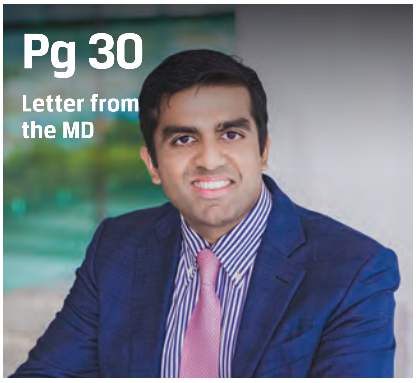
₹3.8 Crores

CSR SPEND

1,58,264

BENEFICIARIES IMPACTED

Pg 22
Our first overseas project in Fujairah



Pg 30
Letter from the MD

Pg 40
Staying ahead of the curve with Project Kshamata

Pg 50
Inspiring the youth through football

Pg 58
Safety

Pg 60
Communities

Cement industry – The backbone of India's infrastructure

Cement is one of the most essential industries that contributes to the growth and development of a nation. India's cement industry is the second largest in the world in terms of production, accounting for ~8% of the global production installed capacity.

A leading employment provider in the manufacturing sector, the Indian cement industry employs ~20,000 people downstream for every million tonne of cement it produces. Indian cement companies are among the world's greenest cement manufacturers. The industry is the largest consumer of fly ash produced by India's thermal power plants annually and also consumes most of the slag produced by India's steel plants.

The industry in FY2020

Cement production reached 334.48 MT in FY2020, a marginal degrowth from 337.32 MT in FY2019. This slowdown was largely due to lower government spending, which accounted for about 40% of the demand. Further, the COVID-19 pandemic has taken an unprecedented toll on the Indian real estate sector and the construction industry, in turn affecting the allied cement industry. Cement production has remained tepid due to labour shortage owing to the nationwide lockdown, liquidity crunch, weak project execution, shortage of funds, and less availability of sand and water in many states. Natural phenomena such as cyclones and floods due to excessive rainfall also impacted demand.

The silver lining

While India Ratings and Research expects the annual growth of the cement industry to plunge further, there are several factors that will augur well for the industry, going forward.

Robust demand

- 100 Smart Cities Mission
- Government's focus on infrastructure projects and Housing for All by 2022

Attractive opportunities

- Investment opportunities in North East India, which is witnessing a construction boom
- Dedicated freight corridors, ports and other infrastructure projects

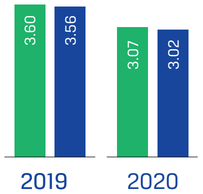
Increasing investments

- Increasing FDI inflow related to the manufacturing of cement and gypsum products
- National Infrastructure Pipeline (NIP) introduced projects worth ₹102 Lakh Crores ($ 14.59 Billion) for the next five years.

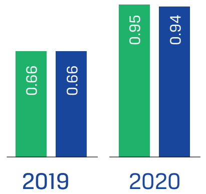
JSW Cement – Exhibiting resilient performance

While the Indian cement industry witnessed a slowdown in FY2020, JSW Cement continued with its encouraging and resilient performance, maintaining steady sales and production of 7.5 MMT and 7.58 MMT, respectively. Take a look at our performance and sales metrics for FY2020:

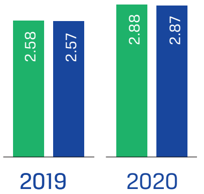
Portland Slag Cement (PSC)*



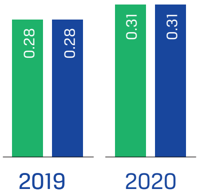
Ordinary Portland Cement (OPC)



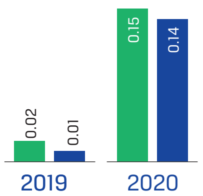
Ground Granulated Blast Furnace Slag (GGBS)



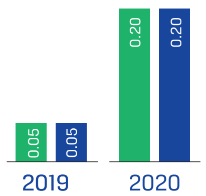
Concreel HD



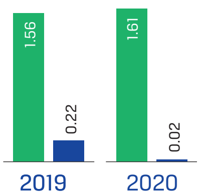
Composite Cement (CC)*



Portland Pozzolana Cement (PPC)



Clinker



Production Sales

Notes:

All figures are in MMT

* Production and sales volume of PSC and CC in FY2020 includes trial run quantity of 0.04 MMT and 0.13 MMT, respectively.

We operate with the vision to fuel India's growth and contribute in its journey towards becoming a self-reliant nation. With our unwavering focus on technology and innovation, ability to expand and make acquisitions, and commitment to sustainability, we are ready to become leaders in the cement industry, while creating consistent stakeholder value.

RENEW. REBUILD. REIMAGINE.

At JSW Cement, we have made steady progress since inception with a focus on transforming opportunities into great business outcomes that create enduring value for all stakeholders. It is this determination that has positioned us as one of India's leading cement manufacturers in terms of quality excellence, eco-friendliness and resilience amid challenges.

The COVID-19 pandemic has radically altered our operating landscape. However, our resolve to perform and deliver industry-leading stakeholder value remains unshaken. We are already implementing relevant strategies to turn this unprecedented challenge into a positive catalyst for change. To stay ahead of the curve and continue doing what we do best – produce high-quality, cost-effective green cement – we have set the right pace to 'Renew. Rebuild. Reimagine.'

First and foremost, **safety is our priority.** We have undertaken several steps to protect our teams and help contribute to the containment of the virus. These steps include conducting virtual meetings, restricting travel, promoting hygiene and working from home when possible. We have put in place stringent measures and processes for those working in operations, ensuring they follow social distancing.

We are **prioritising the 'Now'**, focusing on our people, customers, suppliers and communities, and orchestrating responses to supply chain disruptions. We are also discovering new ways of aligning our business with the evolving demand and finding new growth pathways to tread on.

We **are pairing the right people with the right opportunity.** As organisations world over face workforce disruptions, we are rising to the challenge and have addressed the urgent need to shift to a remote workforce to protect and empower employees, serve customers and establish business continuity.

It is time to adopt a **new perspective** and connect with changing customer habits. Once the looming threat has flattened, we will be able to evaluate more precisely its impact and ramifications in our industry and markets and course-correct our road ahead.

Our defences are strong. Our strategies are robust. Our commitment towards our stakeholders remains steadfast. We will use these pillars as our driving force to **'Renew. Rebuild. Reimagine.'** our way forward and help create a self-reliant India that is recognised globally for its infrastructure prowess.

Cementing the growth of a dynamic India

When JSW entered the cement market in 2009, the overriding vision was to ensure a sustainable future for India by manufacturing eco-friendly cement. A decade later, JSW Cement has emerged as one of India's leading manufacturers of 'green cement', using industrial by-products such as slag.

Our vision

Global recognition for quality and efficiency while nurturing nature and society

Our mission

Supporting India's growth in core economic sectors with speed and innovation

Our core values

- Transparency
- Strive for excellence
- Dynamism
- Passion for learning

TOWARDS THE END OF 2019, THE WORLD WAS HIT BY THE COVID-19 PANDEMIC. INNUMERABLE LIVES HAVE BEEN LOST AND BUSINESSES HAVE BEEN ADVERSELY IMPACTED. AT JSW CEMENT, WE ARE TAKING NECESSARY STEPS TO PROTECT THE HEALTH OF OUR EMPLOYEES, CUSTOMERS, SUPPLIERS AND OTHER STAKEHOLDERS. WE HAVE ALSO PUT SEVERAL MITIGATION MEASURES IN PLACE TO SAFEGUARD THE BUSINESS AND CONTINUE CREATING VALUE FOR OUR STAKEHOLDERS.

At JSW Cement, our aim is to partner India's growth by manufacturing the building blocks of its development story with our world-class cement – cement that paves the way for a strong and sustainable nation.

We produce a wide variety of cement: Portland Slag Cement (PSC), Ground Granulated Blast Furnace Slag (GGBS), Ordinary Portland Cement (OPC), Concreel HD and Composite Cement (CC). The superior strength and durability of our products allow us to cater to diverse retail customers, while also serving several distinguished infrastructure projects in India. We use the best quality slag to produce our green cement, thereby ensuring optimal utilisation of resources and reducing the risk of industrial by-product dumping.

Technology and innovation play a key role in sharpening our competitive advantage and fulfilling evolving customer requirements. Our state-of-the-art manufacturing plants are equipped with best-in-class technologies that manufacture sustainable, low-carbon cement.

Our skilled Research and Development (R&D) team is engaged in discovering ways to best leverage technology and develop products and solutions that contribute towards a circular economy. We aim to usher in a new era of cutting-edge technologies and innovations in the cement industry to meet the needs of a growing India.

We make all this possible with our skilled workforce. At JSW Cement, our people are our strength. It is their passion, dedication and drive to learn that help us deliver quality products on time to our customers.

We value their efforts and empower them to drive excellence across every aspect of the operational canvas. We are committed to developing and retaining our talent pool, with emphasis on diversity and inclusion. Together, we aspire to take JSW Cement to new heights of success.

We believe that an organisation's long-term success depends on its sustainable business practices. We, therefore, strive to make business decisions that serve not only our interest but that of the society as well. Through the JSW Foundation, we undertake several initiatives to improve the livelihoods of the lesser privileged sections of the society. It is our commitment to take them along with us on our growth journey.

On a steady pathway of progress

Ever since we commenced our journey, our story has been the confluence of growth and sustainability, with a bold ambition to help build the nation. Our perseverance and resilience every step of the way have enabled us to counter challenges and make the most of opportunities to gain momentum.

2006

- JSW Cement incorporated in March
- Commenced business in May

2009

- Commissioned the Vijayanagar unit in Karnataka with a manufacturing capacity of 0.8 MTPA

2013

- Integrated the Nandyal unit in Andhra Pradesh, with clinkerisation capacity of 2.2 MTPA and cement grinding capacity of 4.8 MTPA
- Total manufacturing capacity was 5.6 MTPA

2014

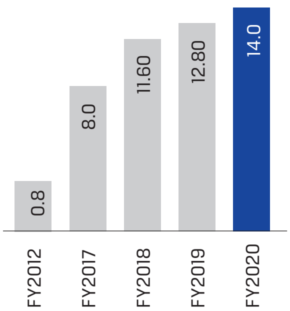
- Acquired and commissioned the Dolvi unit in Maharashtra, with capacity of 0.06 MTPA
- Total manufacturing capacity is 5.7 MTPA

2015

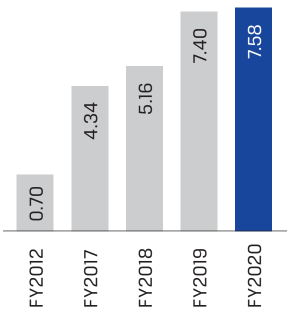
- Acquired a cement grinding unit with capacity of 0.6 MTPA at Dolvi from JSW Steel Limited
- Total cement manufacturing capacity increased to 6.3 MTPA

Evolution from FY2012 to FY2020 (consolidated)

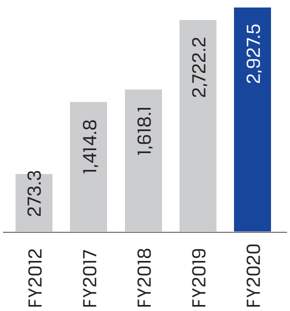
Capacity (in MTPA)



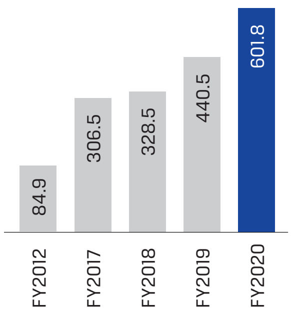
Production (in MMT)



Revenue (NOED*)
(in ₹ crore)



Operating EBITDA
(in ₹ crore)



2016

- Commissioned a cement-grinding mill with a capacity of 0.36 MTPA at Dolvi and 1.2 MTPA at Vijayanagar
- Total cement manufacturing capacity increased to 7.8 MTPA

2017

- Acquired Shiva Cement Ltd., having a clinkerisation capacity of 0.10MTPA and cement-grinding capacity of 0.20 MTPA
- Total manufacturing capacity rose to 8 MTPA

2018

- Installed a cement grinding mill with a capacity of 1.2 MTPA at Vijayanagar and another with a capacity of 2.4 MTPA at Salboni.
- Launched the Salboni Plant in West Bengal
- Total cement manufacturing capacity is 11.6 MTPA

2019

- Commissioned 1.2 MTPA grinding unit at Dolvi, Maharashtra
- Total cement manufacturing capacity reached 12.8 MTPA

2020

- Commissioned 1.2 MTPA grinding unit at Jajpur, Odisha
- Total cement manufacturing capacity reached 14.0 MTPA

Product mix

FY2012 **FY2017** **FY2019**

PSC GGBS OPC Concreel HD CC Screened Slag

WITH OPEN INNOVATION ACROSS THE SPECTRUM

We believe, the only way in which we can create sustainable value for our customers and stakeholders is by pushing the edge of the innovation envelope with unwavering focus. At JSW Cement, we are on a continuous journey of innovation to build a more sustainable environment for us and our customers. We, therefore, endeavour to develop the most innovative products, solutions and services and advanced manufacturing processes together with our partners and customers, and our best-in-class R&D teams.

Our work in R&D and innovation

TRANSFORMATION OF STEEL SLAG

Within the steelmaking process, various types of steel slag – a waste by-product from steel plants – are generated. At JSW Cement, we continuously invest in R&D. We are working towards transforming slag through chemical alterations to make them suitable for use in cement plants. We are collaborating with FEhS – a renowned R&D institute based in Duisburg, Germany – on this project. The lab scale test done in Germany on the steel slag for transformation has been completed last year and the results are encouraging. We will soon be setting up a pilot plant to strengthen this initiative.

DEVELOPMENT OF COMPOSITE CEMENT

We successfully commissioned the Jajpur, Odisha grinding unit last year. From the blueprint phase of the project itself, the plant was designed to produce Composite Cement conforming to BIS 16415. Our R&D team worked on various lab scale and field tests to fine-tune the perfect composition and produce a cement product using blast furnace slag as well as fly ash at the same time, while minimising the clinker ratio. Among blended cements, Composite Cement is comparatively new and helps conserve limestone, reducing specific carbon emissions, and making the product highly energy-efficient and environment friendly.

R&D ON THE NEW PRODUCTS IN THE CHEMICAL CONSTRUCTION SPACE

To augment our portfolio, we plan to enter the construction chemicals space and manufacture innovative green products for specific applications. In FY2020, we worked on perfecting the cement compositions through lab and field trials.

USE OF POLYMER ADDITIVES

We began using polymer additives to reduce the clinker ratio in slag cement as well as CC. The additives are new-generation performance enhancers for cement manufacturing. They helped us achieve up to 30% less water demand, better strength across all curing periods, higher durability by virtue of achieving reduced permeability and reduced carbon footprint.

We continuously invest in our efforts to innovate and provide our customers with superior and better quality products, while also improving the cost competence of our manufacturing process.

In FY2020, we undertook the following steps towards embracing the spirit of open innovation:

- Reduce the clinker factor, help in conservation of limestone and lower CO_2 emission/MT of cement
- Increased use of blast furnace slag, which helped in waste utilisation, thereby driving circular economy and lower carbon emissions
- Developed new products in the construction space, such as construction chemicals, alternatives to natural sand, and new cement products that are superior yet more sustainable by using various industrial wastes
- Long-term objective is to develop new technologies to process other industrial wastes such as steel slag
- Make value additions in existing product portfolio for specific applications in specific geographies

The road ahead

For the upcoming year, we plan to focus on cost competitiveness, value-added products, transformation of steel slag and development of new products.

We encourage open innovation and are partnering with institutions from outside JSW Cement to find new solutions and ways of working. By taking new ideas to the next level, we will continue achieving energy efficiency, lowering costs and reducing our environmental footprint.

Industry experts in sustainable building materials

As an environment-conscious organisation, we use by-products such as blast furnace slag from steel to manufacture our cement varieties, facilitating pollution management and natural resource conservation. Our Portland Slag Cement and GGBS are Green Pro certified products by Indian Green Building Council (IGBC) Confederation of Indian Industry (CII). We are also one of the pioneers in Indian Cement Industry to have EPD (Environment Product Declaration) Certification no. S.P.o 1414 dated 11th October, 2019

Portland Slag Cement (PSC)

Commonly known as PSC, this blended cement conforms to IS 455:2015. It is most suitable for residential, commercial and industrial projects. At JSW Cement, we use superior quality slag produced in our steel-manufacturing plants, along with clinker and gypsum to produce superior quality PSC using state-of-the-art technology. PSC has been voted as the most suitable cement for mass construction because of its low heat of hydration.

CHARACTERISTICS

- Longer life
- Incomparable compressive strength
- Chemical resistance
- Low risk of cracking
- Better surface for painting
- Superior finish
- Better resistance against alkali-silica reaction
- Green product

USES

- All types of residential, commercial and industrial projects
- Dams and other mass concrete works
- Water retaining structures
- Concrete roads and flyovers
- Most suitable for marine constructions
- Pre-cast concrete products
- Foundations and piles construction

Ordinary Portland Cement (OPC)

One of the most widely used cement variants in general concrete construction work, OPC is obtained by mixing Portland cement clinker, blended materials and the right amount of gypsum. At JSW Cement, we manufacture quality OPC conforming to the IS:269-2015 standard. JSW OPC can be used on its own or blended with mineral admixtures, such as fly ash and GGBS at construction sites, as per requirement, to create a highly efficient mixture. JSW OPC can be used for Reinforced Cement Concrete (RCC) works and precast structures.

CHARACTERISTICS

- High early strength
- Quick settling property
- Faster de-shuttering of formwork
- Proportion flexibility (can be bended with mineral admixture)
- Increased speed construction

USES

- Construction of high-rise buildings, roads, dams, bridges, flyovers.
- Grouts and mortars
- Construction of residential and industrial complexes, secially where speed of constrcution is fast & quick de-shuttering are required.
- Construction of pre-castitems such as blocks, tiles, pipes etc.
- Asbestos products such as sheets and pipes
- Pre-stressed concrete girders.

Ground Granulated Blast Furnace Slag (GGBS)

GGBS is obtained by rapidly chilling (quenching) the molten ash from the furnace with the help of water. During this process, the slag gets fragmented and transformed into amorphous granules (glass), meeting the requirement of IS 12089:1987. The granulated slag is ground to the desired fineness to produce GGBS. JSW GGBS contributes to the production of superior cement. Over a period of time, its load-bearing properties continue to increase as it absorbs surplus lime released during hydration to form more calcium silicate hydrates, which add to its strength.

CHARACTERISTICS

- Incomparable long-term strength
- Chemical resistance
- Longer life
- Less heat of hydration and reduced thermal cracks
- Proportion flexibility
- Green product

USES

- High-rise buildings
- Marine applications such as dams and shore protection construction
- Effluent and sewage treatment plants
- Cement products such as tiles, pipes, blocks, etc.
- Piles and pile foundation
- can be used as partial replacement to OPC in concrete production at RMC & Site batching plant.

Concreel HD

Concreel HD conforms to IS 455: 2015 and is an apt representation of JSW Cement's vision of providing quality products while protecting the environment. It reduces CO_2 emissions, conserves natural resources and fuel, and utilises industrial by-products. Its modified pore structure and superior cohesion make it ideal for strength-bearing applications such as beams, columns, slabs, foundations and other generalised construction requirements.

CHARACTERISTICS

- Concreel HD is known as the cement with six strengths:
- Improved early and later strength
- Superior cohesion
- Quick setting
- Chemical resistance
- Most durable
- Green product

USES

- All RCC structure, especially slabs, beams and columns
- RCC footing, foundation for bridges and underground constructions
- RCC works in high water table areas and marshy lands
- RCC water tanks and effluent treatment plants
- Pile foundations and pile cap
- Mass concrete work in dams, spillways, canals, expressways etc.
- All other generalised construction requirements

Composite Cement

JSW Composite Cement is a perfect blend of highly reactive slag and silica, making it our latest revolutionary offering, especially designed for all concrete-based construction requirements. Our Composite Cement is a result of world-class manufacturing processes. It is environment-friendly and conforms to IS 16415: 2015.

CHARACTERISTICS

- High strength
- More durable
- Improved workability
- Superior, smooth finish
- Highly chemical resistant
- Green product

USES

- All RCC structures, especially slabs, beams and columns
- RCC footings and foundations for bridges
- Pile foundations and caps
- RCC in underground construction
- RCC works in high water table areas
- RCC works in marshy land and coastal areas
- RCC water tanks and effluent treatment plants
- RCC exposed to corrosion-prone chemical fumes
- Grouts and mortars and cement-based products
- Waterproofing, plastering, brick works and finishing works
- Express ways
- Mass concrete works in dams, spillways, canals, foundations, etc.

Screened Slag

Screened slag is an alternative to river sand as well as crushed rock fines. Screened slag obtained from the screening of blast furnace slag is in the form of granules and looks like river sand. It is an inert material and suitable for concrete and mortar. The method of application of screened slag is the same as that of river sand/crushed rock fines. It is superior to river sand because the river sand/crushed rock fines contain fossils and other irregular particles, such as clay and silt, that affects quality and durability.
JSW Screened Slag meets all the requirement of IS:383-2015.

CHARACTERISTICS

- Higher compressive strength
- High durability
- Better cohesiveness and improved bonding
- Controlled physical and chemical property
- Does not have fossils and clay has negligible silt content
- Green product

USES

- Highway base and sub base
- Back fill
- Agricultural liming and soil conditioning
- Lightweight concrete block
- Concrete floor fill
- Manufacture of cement

Our robust supply chain network

At JSW Cement, every step of our value chain is crucial. We use state-of-the-art production technology to manufacture cement that is superior in quality, environment friendly and cost effective. We continue to engage in more research and innovation to offer nothing less than the best quality sustainable cement.

Through our robust value chain, we monitor the quality of our products from the very beginning of the production process until the cement is ready to be delivered to our customers.

Recycling
Raw materials
Suppliers
Manufacturing plants
Operations
Marketing
Final products
Outbound logistics
Use

Proud contributor to prominent landmarks

Our only endeavour is to deliver cement that is recognised for its quality and eco-friendly properties. Leveraging our industry expertise and innovation capabilities, we have been providing cement to several prestigious and large infrastructural projects in the southern and western regions of India.

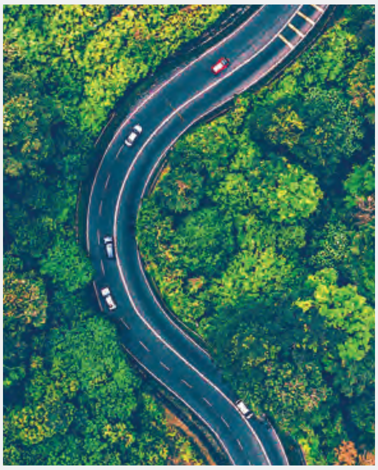
Chennai Port (L&T and Ecc Geo Structure), Tamil Nadu

Lodha World One, Mumbai

Mumbai Elevated Metro

Mumbai Port Trust

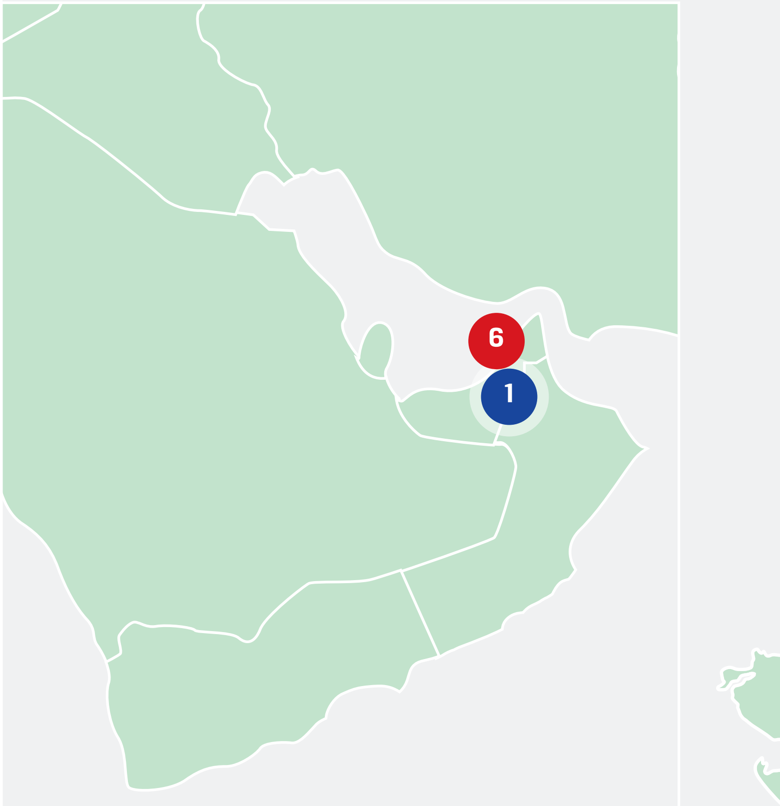
Yettinahole Aqueduct Project, Bangalore



National Highway Mumbai-Goa

Our growing footprint

Our presence in several key markets of India enables us to supply cement to some of the largest and most demanding projects in the southern, western and eastern regions of the country.



Mines

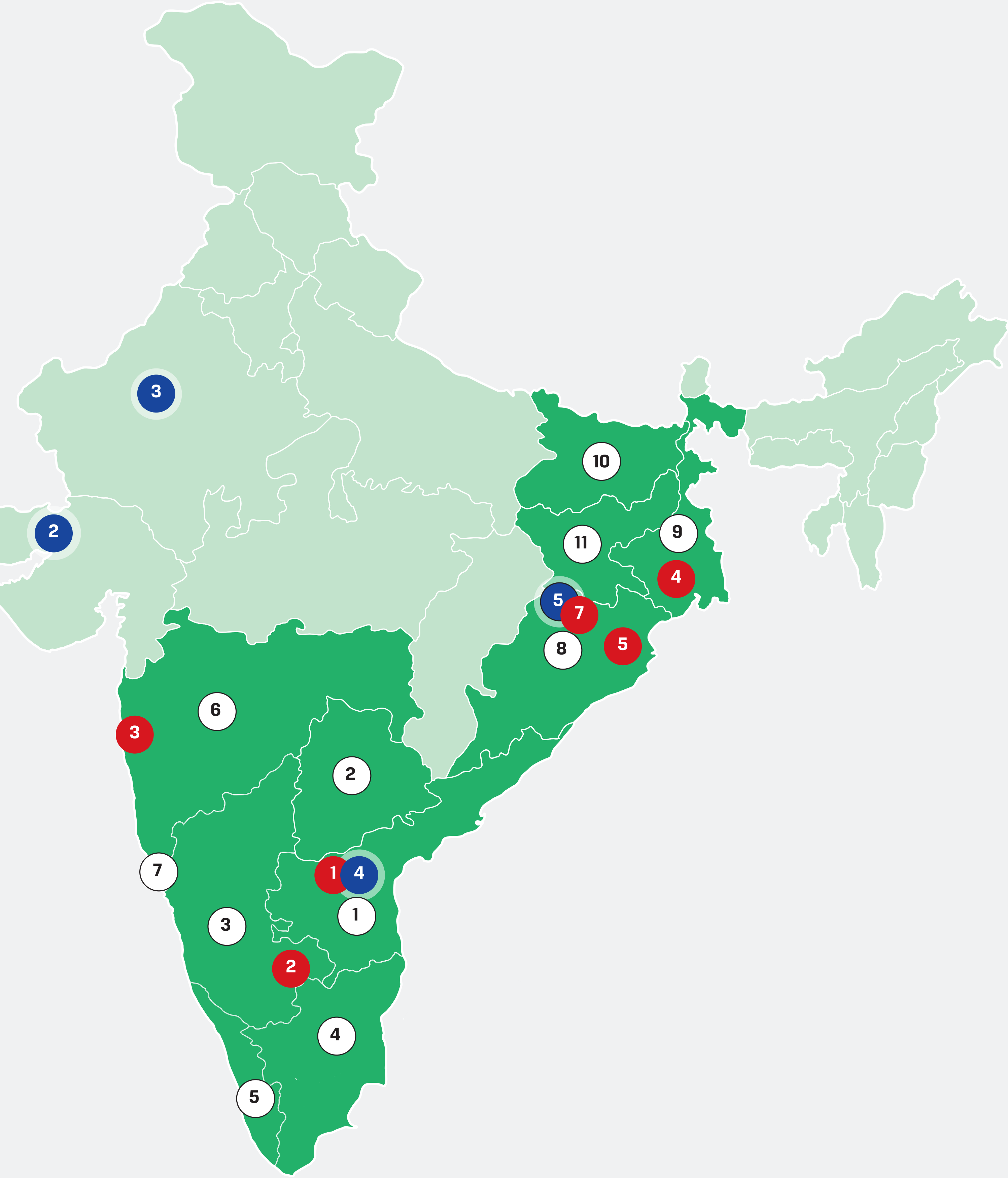
1 Fujairah, UAE (JSW Cement FZE)
2 Kutch, Gujarat, India
3 Nagaur district, Rajasthan, India
4 Nandyal, Andhra Pradesh, India
5 Khatkurbahal, Odisha, India (Shiva Cement Limited)

Facilities

1 Nandyal, Andhra Pradesh
2 Vijayanagar, Karnataka
3 Dolvi, Maharashtra
4 Salboni, West Bengal
5 Jajpur, Odisha
6 (Fujairah unit), Fujairah, UAE (JSW Cement FZE)
7 Kutra, Odisha (Shiva Cement Limited)

Marketing presence

1 Andhra Pradesh
2 Telangana
3 Karnataka
4 Tamil Nadu
5 Kerala
6 Maharashtra
7 Goa
8 Odisha
9 West Bengal
10 Bihar
11 Jharkhand


3
2
10
11
9
4
5
7
8
5
6
3
2
7
1
4
1
3
2
4
5

OUR FIRST OVERSEAS PROJECT IN FUJAIRAH

At JSW Cement, our aim is to continue to build for growth and emerge as a global leader in the cement sector. We aspire to be a brand that the world recognises and trusts. We have taken our first step in this direction by acquiring a limestone mine in Fujairah, UAE.

We signed an agreement between our wholly owned subsidiary JSW Cement FZE (JSWCF), UAE with Fujairah Natural Resource Corporation (FNRC), Government of Fujairah, UAE. According to the agreement with FNRC, JSWCF was to set up a clinker plant to use the discard from the mines once the company commences production of steel grade mines. To realise our first overseas project, we undertook extensive project planning in the blueprint stage.

We undertook a detailed project report, ran a competitive bidding process to employ the best technology companies in the world and finalised the Engineering, Procurement and Construction (EPC) mode of execution. To get through UAE's robust approval process for all construction drawings, we had multiple design review meetings with engineering design and EPC management company.

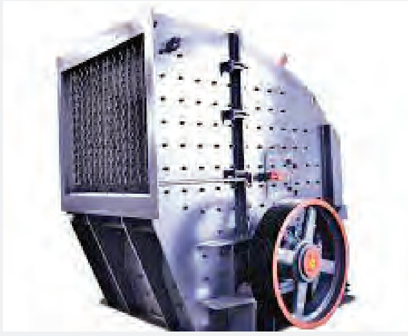
We also assessed the construction site to ensure it complies with the UAE requirements of engineering and design. Once we had all the requisite approvals, construction began in January 2019 and completed in February 2020. The kiln was lighted on 26th February, 2020.

To manufacture the best quality clinker, which will, in turn, help us produce high-quality cement, latest technology equipment have been considered:

1. **Covered linear storage shed for raw materials and fuel**
2. **Roller press for raw grinding**
3. **Reinforced Cement Concrete (RCC) silo for raw meal and clinker**
4. **High efficiency grate cooler**
5. **High efficiency bag filters to avoid fugitive dust emission**
6. **Selective Non-catalytic Reduction (SNCR) system for reduction of NOx**

We completed the project in a record time of 14 months. The plant in Fujairah is one of the fastest executed clinker plant projects in the UAE. It is also one of the best achieved projects globally with regard to the completion schedule and one that will be etched in our history.

Scan the QR code to watch launch of our Fujairah Plant



Departments	Equipment	Specifications
Limestone Pre-Blending	Stacker	Capacity: 600 tonnes/hour
	Reclaimer	Capacity: 350 tonnes/hour
Limestone Storage	Covered linear shed	› Capacity: 2 x 14,500 MT › Shed dimensions: L 225 m, W 40 m, H 21 m
Corrective / Coal Crushing	Impact crusher	Capacity: 275 tonnes/hour
Corrective / Coal Pre-Blending	Stacker	Capacity: 400 tonnes/hour
	Reclaimer	Capacity: 200 tonnes/hour

Correctives / Coal Storage	Covered linear shed	› Capacity
		  › Bauxite: 1 x 2,250 tonnes
		  › Iron ore: 1 x 2,250 tonnes
		  › Shale: 1 x 9,500 tonnes
		  › Coal/petcoke: 2 x 5,000 tonnes
		› Shed dimensions: L 261 m, W 48.5 m, H 27.5 m

Raw Material Hoppers	Steel hoppers	› Capacity
		  › Bauxite: Diameter 4 m, 100 tonnes
		  › Shale: Diameter 6 m, 260 tonnes
		  › Iron ore: Diameter 4 m, 169 tonnes
		  › LS: Diameter 8 m, 400 tonnes

Raw Material Grinding	Roller press	Capacity: 275 tonnes/hoir
Raw Material Storage	RCC silo	Capacity: 1 x 10,000 tonnes Dimensions: Diameter 18 m, H 42 m
Pyro System	Pre-heater / pre-calciner	5-stage pre-heater With calciner, diameter 6.2 m
	Rotary kiln	› Capacity: 3,000 TPD › Dimensions: Diameter 4.2 m X 60 m length › Speed: 0.5 to ˜ 5 RPM
	Grate cooler	High efficiency grate cooler Grate area 〉72 m2
Clinker Transport	Deep pan conveyor	Capacity: 250 TPH

Departments	Equipment	Specifications
Clinker Storage	Clinker silo	› Capacity: 1 x 30,000 tonnes › Dimensions: Diameter 30 m, H 44 m
Clinker Bulk Loading	Bulk loader	Capacity: 2 x 300 TPH
Raw Coal Storage	Raw coal hoppers	Capacity: 2 X 100 tonnes Dimensions: Diameter 5 m
Coal Grinding	Vertical roller mill	Capacity: 25 tonnes/hour (coal) and 17 tonnes/hour (petcoke)
Ground Fuel Storage	Fine coal bin	› Capacity: 2 X 200m^3 › Dimensions: Diameter 5.5 m

Description	Unit	Quantity
RCC	m^3	38,000
Rebar	MT	4,400
Structural steel	MT	4,264
Plate work	MT	1,490
Mechanical equipment	MT	4,670
Refractory	m^3	1,605
Electrical and Instrumentation (E&I) equipment		
Panels	Nos	300
Cables	Km	350
Distribution transformers	Nos	5

The successful completion of the project has once again reposed our faith in the popular adage, 'The sky is the limit'. With growing confidence, we will continue to leverage our learnings and best practices for our other upcoming projects.

Driven by our advanced production fleet

To manufacture great products, we need great infrastructure. Our cement-producing facilities are equipped with state-of-the-art technology, skilled workforce and advanced equipment. They allow us to develop cement mixes in the least amount of time, while minimising waste.

Vijayanagar, Karnataka

Our Vijayanagar plant has 3.2 MTPA of installed capacity. We successfully commissioned one unit of 180 Tonnes per Hour (TPH) in March 2017 and the second unit of 180 TPH in October 2017. This has helped us increase our market share of GGBS and PSC in Karnataka, Goa, Kerala, Tamil Nadu, Maharashtra and Telangana. We also added a facility in the plant to produce Composite Cement, which uses slag and fly ash and is environment friendly. In July 2017, we commissioned a state-of-the-art mechanised wagon loading system to dispatch our products by rail.

In March 2018, we commissioned a new railway line to transfer slag from JSW Steel Limited's blast furnace to the cement plant. Last year, we started processing blast furnace slag to produce screened slag, which is a substitute of natural sand and helps in conservation of natural resources. The product is well received by consumers and we have installed a capacity of 1 MMT of screened slag. Further, one-fifth of the unit is under green cover, making it an eco-friendly cement manufacturing facility.

3.2 MMTPA

CAPACITY

Nandyal, Andhra Pradesh

Nandyal is the first cement plant in India with the Combi-Comflex technology and is equipped with multiple systems to control air and dust pollution. It is one of our most energy-efficient cement plants with a production capacity of 4.8 MTPA. The unit produces PSC, GGBS, OPC and Concreel HD. Nandyal Works consumes lesser amount of limestone compared to the conventional cement plants and contributes largely to water conservation. It has, therefore, earned several awards for being a green plant. The alternate fuel project was completed in FY2019. We have completed the carbon black firing, liquid fuel firing, and solid alternative fuel feeding projects this year. These initiatives have helped increase the Thermal Substitution Rate (TSR)* to 13.9% and reduce the fuel cost at the plant by recycling wastes from other industries and conserving fossil fuel.

* TSR is the proportionate heat substitution of fuel by using alternative fuel

4.8 MMTPA

CAPACITY

Dolvi, Maharashtra

We commissioned a 1.2 million MTPA grinding unit at Dolvi to enhance the production capacity from the existing 1.0 million MTPA to 2.2 million MTPA. This would allow us to strengthen market share in the western region. We also have plans to further increase cement capacity by 1.8 million MTPA in line with the increased availability of slag from JSW Steel Limited. In March 2018, we installed an energy-efficient compressor at the plant and replaced conventional lighting fixtures with LED ones to reduce power consumption. The Dolvi Works has a well-equipped laboratory with modern testing facilities, including an X-Ray analyser for quality control and also a Concrete Testing Facility to ensure quality output.

Salboni, West Bengal

One of the largest cement plants in West Bengal, Salboni is spread across a sprawling area of 134 acres. The plant is of 2.4 MTPA capacity, with four finish grinding lines of roller presses. Equipped with highly advanced pollution-control equipment, the plant minimises the impact on the environment. The unit manufactures superior quality PSC and Concreel HD. Additionally, it ensures separate grinding of slag and clinker, which allows better particle size distribution, thereby resulting in higher strength of the cement. The plant has a modern railway siding with its own wagon tippler to receive inbound raw materials and a fully mechanised cement-loading system for outbound cement products. We are expanding the green cover around the unit by undertaking the enormous 'Green Mission' to plant 1 Lakh trees. In FY2020, we added Composite Cement in the product portfolio, which is a green cement product with low clinker factor.

Jajpur, Odisha

A state-of-the-art grinding unit of 1.2 million MTPA capacity has been successfully set up within a total plant area of 15 acres. This unit comprises one roller press of 180 TPH capacity. It has been commissioned well within the scheduled time and is under trial run. The unit is designed for the production of composite cement as well as multiple variants of slag cement and has started contributing to the market share of Odisha. The unit has a semi-automatic packer system along with truck and bulker loading facilities.

2.2 MMTPA
CAPACITY

2.4 MMTPA
CAPACITY

1.2 MMTPA
CAPACITY

On a firm resolve to build a self-reliant India

Dear Stakeholders,

I hope that you and your family are keeping safe in these challenging times, as we try to recoup from the COVID-19 pandemic and adapt to the new normal.

As you are aware, FY2020 has been a challenging year for the Indian economic and business environment. Industrial activity weakened towards the end of FY2020, while oil demand remained flat.

However, the thrust on policy initiatives continued. The Reserve Bank of India announced significant rate cuts, which not only eased the business environment but also made way for additional liquidity in the economy. The government also announced significant rebates for new manufacturing units to attract global supply chains.

The cement industry forms the backbone of a rapidly developing country like India, which is on its journey towards becoming an economic superpower. In the reporting year, cement demand witnessed marginal degrowth due to cautious sentiment among people during the parliamentary elections and extended monsoons.

The industry is expected to witness another decline this year due to the nationwide lockdown owing to the COVID-19 pandemic. However, the government is strongly focused on infrastructure development to boost economic growth, and is aiming for 100 smart cities. This is expected to benefit the cement industry considerably. To ease the transportation of cement and reduce transportation costs, the government also intends to expand the capacity of the railways and other facilities for handling and storage of cement.

While we are living through challenging and uncertain times, I would like to assure you that it has brought several opportunities and learnings for us. At JSW Cement, we remain focused on developing innovative and sustainable cement, aiming to maximise value creation for our stakeholders.

We are increasingly aware of the demographic changes, coupled with growing urbanisation and climate change that pose a threat to the economy and underscore the scarcity of natural resources. We have, therefore, been fulfilling our role as a responsible corporate citizen by following ethical mining practices, undertaking technology-led innovation, utilising more of renewable energy and disposing waste responsibly. We are also working towards the empowerment of communities in the areas where we operate and encouraging them to partner in our growth journey.

JSW CEMENT IS FOCUSED ON THE LONG TERM. WE ARE ALWAYS LOOKING TOWARDS THE FUTURE, WITH THE COURAGE AND COMMITMENT TO INVEST, INNOVATE AND CONTINUE TO CREATE SUSTAINABLE VALUE. WE HAVE THE INTENT AND THE ABILITY TO CHANGE, ADAPT AND MODERNISE AS THE TIMES DEMAND, WHILE MAINTAINING OUR NON-NEGOTIABLE VALUES OF ETHICS, RESPECT AND OUR COMMITMENT TO DOING THINGS RIGHT.

Before I conclude, I would like to thank our stakeholders for their continued support. Your unflinching trust in us and our determination to deliver on it has made us one of the leading cement players in the country today.

I would like to reassure you that JSW Cement is focused on the long term. We are always looking towards the future, with the courage and commitment to invest, innovate and continue to create sustainable value. We have the intent and the ability to change, adapt and modernise as the times demand, while maintaining our non-negotiable values of ethics, respect and our commitment to doing things right.

As we tread further together on the exciting road ahead, I solicit your continued support and guidance – to be an organisation that is not only ready for the future but also leads by example.

Sincerely,

Nirmal Kumar Jain

Chairman

Stronger through challenges

Dear Stakeholders,

I hope all of you and your families are safe and in good health.

It is with pleasure that I present to you our Annual Report for FY2020. The year has been a challenging, yet successful one for JSW Cement and the Report provides a holistic picture of our performance and prospects.

AT JSW CEMENT, WE ARE GEARED UP TO CAPITALISE ON THE OPPORTUNITIES THAT WILL COME KNOCKING AT OUR DOORS THROUGH OUR PRUDENT DECISION MAKING AND FOCUS ON COST-SAVING INITIATIVES.

The year began with stunted global growth, followed by the COVID-19 pandemic and the ensuing nationwide lockdown. As the world is coming to terms with the new normal, it is time for people and businesses alike to rethink their way of functioning. JSW Cement has been a resilient organisation, emerging stronger as it sails through storms. While FY2020 did bring along its set of operational and financial challenges – with the natural calamities and the pandemic – we stayed determined to continue building a self-reliant India. The theme of the report, 'Renew. Rebuild. Reimagine.', reflects our unflinching commitment towards our business and our ability to evolve and adapt to the changing times, while creating sustainable value for all our stakeholders.

Resilient performance

In FY2020, we experienced a degree of instability due to the muted GDP growth owing to state elections in our South markets, and the floods in Bihar, Karnataka and Kerala. Further, the COVID-19 pandemic impacted our sales towards the end of the year, with most capex plans being put on hold. Despite these challenges, we recorded a turnover of ₹2,927.5 Crores, 7.5% over FY2019, along with an EBITDA growth of 31%. We witnessed significant improvement in our EBITDA, from ₹490.1 Crores in FY2019 to ₹642.2 Crores in FY2020. We successfully commissioned our clinker unit of 1 MTPA in Fujairah in March 2020. Moreover, Shiva Cement was declared the preferred bidder for the Khatkur Bahal (North) Limestone Block via the e-auction process. While we are one of the leading cement players in the southern, western and eastern regions of India, our acquisition of limestone mines in Gujarat and Rajasthan will hold us in good stead to expand in the northern regions as well.

We have undertaken a new initiative called JSW One at the Group level. The initiative is aimed at synergising the operations and expertise of JSW Group companies and achieving maximum productivity through an optimum mix of resources. JSW One would allow for a single point of sale for cement and Thermo Mechanically Treated (TMT) steel requirements, providing a tremendous boost to sales.

In the years to come, our endeavour will be to continue producing cost-efficient and eco-friendly cement, making us a force to reckon with in the Indian cement industry.

Ready to leverage opportunities

The last few years have been a bumpy ride for the Indian cement industry. However, the country's endeavours to set up a strong infrastructure framework through its government and housing projects, will, in turn, benefit the cement industry in the medium to long term. At JSW Cement, we are geared up to capitalise on the opportunities that will come knocking at our doors through our prudent decision making and focus on cost-saving initiatives.

In 2020, we commissioned a 1 MTPA clinkerisation plant in Fujairah, UAE and produced ~60,000 MT of clinker in FY2020. The unit provides us with a cushion from international price movements. The alternative fuel feeding system in Nandyal, Andhra Pradesh has been running successfully and helped us incur savings of ₹6.7 Crores in FY2020, which will recur each year. These are in addition to the commissioning of our 1.2 MTPA grinding unit in Jajpur, which has added to our overall manufacturing capability. Further, the carbon black firing feeding system in the coal mill gave us substantial saving and will be recurring every year. At our Salboni unit in West Bengal, JSW Energy completed the installation of 18 MW Captive Power Plant (CPP), which will commence

LETTER FROM THE MD

₹2,927.5 Crores
TURNOVER

₹642.2 Crores
EBITDA

1.2 MTPA
GRINDING UNITS COMMISSIONED AT JAJPUR

operations soon, after obtaining grid synchronisation permission and signing Power Purchase Agreements (PPAs) with consumers other than JSW Cement.

Powered by innovation

In addition to deep and extensive research into potential breakthrough technologies, we are constantly looking at innovative ways to step up our cement production process. Innovation thus forms an inextricable part of our functioning as it not only helps reduce cost, improve quality and optimise processes, but could also result in lower levels of environmental impact.

Leveraging our R&D team expertise, we began work on transforming steel slag through chemical alterations to make it suitable for use in cement plants. For this purpose, we are collaborating with FEHS, a renowned R&D Institute in Duisburg, Germany. The lab scale test work in Germany on the transformation of steel slag has been completed last year and the results are encouraging. We will soon be setting up a pilot plant as the next step to further develop on this initiative.

Further, our R&D also developed composite cement using blast furnace slag and fly ash. The product helps us conserve limestone and reduce carbon emissions. We also began using a polymer additive to reduce clinker ratio in slag cement as well as composite cement. The additive not only makes the cement eco-friendly, but also provides it with better strength across all curing periods. By screening and processing blast furnace slag, we developed a product that provides an alternative to natural sand, thereby helping us conserve resources.

Responsible towards stakeholders

In these trying times, it is more important than ever for us to build and uphold stakeholder trust. JSW Cement, as an organisation, is committed to listening to its stakeholders, understanding their needs and also taking their suggestions and feedback for improvement. Stakeholder expectations firepower our strategies and execution prowess to reach higher altitudes of growth and sustainability.

We are focused on investing in technology and R&D to develop innovative products that meet the evolving customer needs. We are also catering to customers in rural India to create fundamentally strong business strategies that will provide us a competitive edge and a sustainable future. To stay in the low-cost quartile, we have embarked on a digital journey and plan to automate our production process and supply chain on the demand side to achieve higher efficiencies.

Since inception, we have pledged and strived to be an organisation conscious of our carbon footprint. From use of clean technology to energy conservation and reliance on green energy, we are undertaking continuous, multi-pronged efforts to ensure we always act in a sustainable manner. We follow JSW Group's policy against single-use plastic and minimum utilisation of natural resources across our operations. To conserve water, we have installed rainwater harvesting units at all our locations.

We planted ~50,000 trees this year to expand the green cover in and around our plant premises. Moreover, I am pleased to inform you that by significantly substituting clinker with slag, the global warming potential of our PSC was found to be 325.14 kg CO_2/tonne of PSC – the lowest in India's cement industry and the world.

At JSW Cement, we foster a dynamic work culture that offers a platform for employee learning and growth. As part of our overall development journey, we help employees experience multi-faceted professional exposure through stretch assignments, expanded roles, and movements across jobs and geographies to fulfil their professional aspirations. True to our culture, we stood by all our stakeholders during the COVID-19 pandemic.

SINCE INCEPTION, WE HAVE PLEDGED AND STRIVED TO BE AN ORGANISATION CONSCIOUS OF OUR CARBON FOOTPRINT. FROM USE OF CLEAN TECHNOLOGY TO ENERGY CONSERVATION AND RELIANCE ON GREEN ENERGY, WE ARE UNDERTAKING CONTINUOUS, MULTI-PRONGED EFFORTS TO ENSURE WE ALWAYS ACT IN A SUSTAINABLE MANNER.

We reached out to channel partners through the COVID Warriors programme, extended flexibility to work from home for our employees to ensure business continuity; and also supported the associate employees through safe and secure facilities at plant locations.

We have made an express commitment to social responsibility and will leave no stone unturned in directing our efforts towards making the world a better place for the communities where we operate. Across our units, we have identified and prioritised the needs of the communities and our teams have been doing remarkable work in the areas of livelihood and health improvement, education, rural development and sanitation.

We organised 178 mobile clinics and special health camps to provide appropriate medical attention to 7,665 people with critical conditions. We also engaged medical experts to facilitate appropriate consultation, services and facilities to 6,300 patients, including 59 newborns. To partner the Government of India's Swachh Bharat Mission, we constructed 700 toilets and undertook cleanliness campaigns in association with the state government in Nandyal, Andhra Pradesh. Also, to encourage more rural youth to participate in sports, we set up the Salboni Football Academy to train the best of talent within the age group of 11-13 years.

On the horizon

As we prepare ourselves to set sail with the new normal, our feet are firmly grounded and our eyes set on the horizon. We have undertaken multiple initiatives to reduce the cost of manufacturing through alternative raw materials, alternative fuels and additives in cement. We have converted PSC to premium share Composite Cement in select markets of the South and a similar model is being followed across all zones.

At JSW Cement, we aspire to be a legacy cement company with an enviable world-class frontline sales engine across the industry. For this purpose, we have partnered with McKinsey & Company and kick-started Project Kshamata, our endeavour to continue persevering to be the best and strongest player in the Indian cement sector. Through the Project, we aspire to streamline our processes across different layers of the organisation, nurture a world-class sales force to drive breakthrough growth and help us be a digitally enabled, strong organisation.

Further, we plan to invest ₹2,875 Crores to enhance capacity to 25 MTPA from 14 MTPA by 2023, eventually reaching a record of 30 MTPA by 2025.

While dealing with the COVID-19 pandemic, we are unearthing new perspectives in critical areas, including the way we work, learn and sustain community. I am convinced more than ever that we have the resolve and resourcefulness to get through this together. I would like to reassure our stakeholders that JSW Cement, as a company, is resilient. We will continue to renew, rebuild and reimagine to rise to the best of our ability by delivering great quality, cost-efficient, eco-friendly cement to our customers.

As I conclude, I would like to offer my deep gratitude to everyone who is part of the JSW Cement family – employees, suppliers, vendors, investors, shareholders and communities. Your continued support and trust inspire us to perform resiliently amid challenges..

Together, let's shape JSW Cement's new growth trajectory.

Sincerely,

Parth Jindal

Managing Director

Shaping the future of India's cement industry

Dear Stakeholders,

I hope all of you and your families are healthy and safe. It gives me great pleasure to share with you the steps that we have undertaken to develop and sustain our competitive edge in FY2020 and beyond.

Overall, FY2020 has been a challenging year – we started off on a strong note in Q1. However, the economic backdrop and market conditions remained subdued till November. While growth started returning from December onwards, the COVID-19 pandemic and the ensuing national lockdown brought economic activity to a standstill in March. Despite these challenges, the business has performed well.

In FY2020, we grew our sale volumes by 2.1%, EBITDA by 31% and PAT by 70.9% over FY2019. During this year, we successfully commissioned a 1.0 MTPA clinkerisation line at Fujairah and a 1.2 MTPA grinding unit at Jajpur. This would hold us in good stead as we prepare for FY2021 and beyond.

Sustainability

At JSW Cement, we continue to focus on being the leading producer of green cement in India with our portfolio of slag cement, other blended cement, GGBS and allied products. Our flagship product, JSW Portland Slag Cement (PSC), is a blended cement that has higher final strength compared to conventional cement products available in the market and is also resistant to chemical attacks. JSW PSC's lower clinker ratio helps conserve natural resources such as limestone, coal and pet coke, and water. PSC also consumes the least amount of electrical energy compared to all other types of cement products in the Indian market. In recognition of our unique and industry-leading product portfolio, JSW Cement received Environmental Product Declaration by Sweden's EPD International AB, which states that our PSC cement has the lowest global warming potential in the cement industry of 325.14 kg CO_2/ MT.

Other initiatives during FY2020 include the commencement of a study at the Nandyal plant, jointly conducted with the Confederation of Indian Industry (CII), which aims to make the plant water positive. Additionally, to reduce our carbon footprint, during the year, we increased our usage of renewable power (solar power) at our Nandyal and Salboni units.

We are very proud to contribute to building a self-reliant India by supplying our cement and GGBS to projects across the country. Some of the marquee infrastructure projects for which we have supplied our green cement include the Mumbai and Kolkata Metro, State Electricity Transmission and Police Housing in West Bengal and the Krishnapatnam Port in Andhra Pradesh. We also take great pride in supplying cement to various individual house builders across our region of operations.

Digital

We believe digital is the way forward for the world. The two key functions where we would like digital to be embedded in a meaningful manner are sales and logistics. In our sales transformation journey – Project Kshamata – we are embedding digital in all our sales processes and across the working practices of our frontline sales and technical officers. This would ensure we are able to drive efficiency and effectiveness through our frontline to create impact. Our endeavour is to create an organisation that thinks central but acts local. On the logistics front, we will soon be embedding a strong digital signature in our 'order to delivery cycle'. This would ensure significantly enhanced service levels to our channel partners and transporters alike.

Human resource development

Our workforce remains one of our greatest strengths and we continue to invest significantly in developing their skills and capabilities. The thrust in providing functional training to

JSW CEMENT RECEIVED ENVIRONMENTAL PRODUCT DECLARATION BY SWEDEN'S EPD INTERNATIONAL AB, WHICH STATES THAT OUR PSC CEMENT HAS THE LOWEST GLOBAL WARMING POTENTIAL IN THE CEMENT INDUSTRY OF 325.14 KG CO_2/ MT.

our go-getters is a continuous one. Additionally, to help the respective manufacturing units learn from each other, we have initiated a programme called #BetterEveryday, which is focused on the three functional areas of Mechanical, Electrical and Instrumentation, and Process. We have senior representation from every manufacturing unit and as a functional group, they meet virtually once every three weeks. This has resulted in cross-pollination, learning from each other's best practices and a significantly improved operational acumen across our plants.

Our partners (vendors, transporters et al.) are our mainstay and we continue to invest significantly in driving awareness of safe and healthy practices. We continued with our DuPont Safety Excellence Journey through FY2020. This was aimed at implementing better safety practices across the organisation and we are happy to report a high degree of enthusiasm and adoption of this safety excellence journey.

To nurture top talent, we do undertake a rigorous exercise to identify them first. This talent is handpicked and groomed for larger responsibilities. They are offered courses and development opportunities at internationally acclaimed institutes. We also have several specialised programmes which are aimed at sharpening management skills, such as our Springboard Programme for women employees, which is held at IIM Bangalore.

During the COVID-19 lockdown, the Company has proactively taken a series of steps, such as intensive awareness campaigns within and around each plant, and distribution of ration in surrounding villages. Plant maintenance was planned and executed with bare minimum team strength during this period; further, plant sanitisation was also carried out regularly. All our sales personnel have been engaging with our channel partners and influencers on a regular basis to offer and extend any support that may be needed.

As I conclude, I would like to thank every member of our JSW Cement family, whose contribution and faith in our vision and capabilities have made JSW Cement a force to reckon with.

Sincerely,

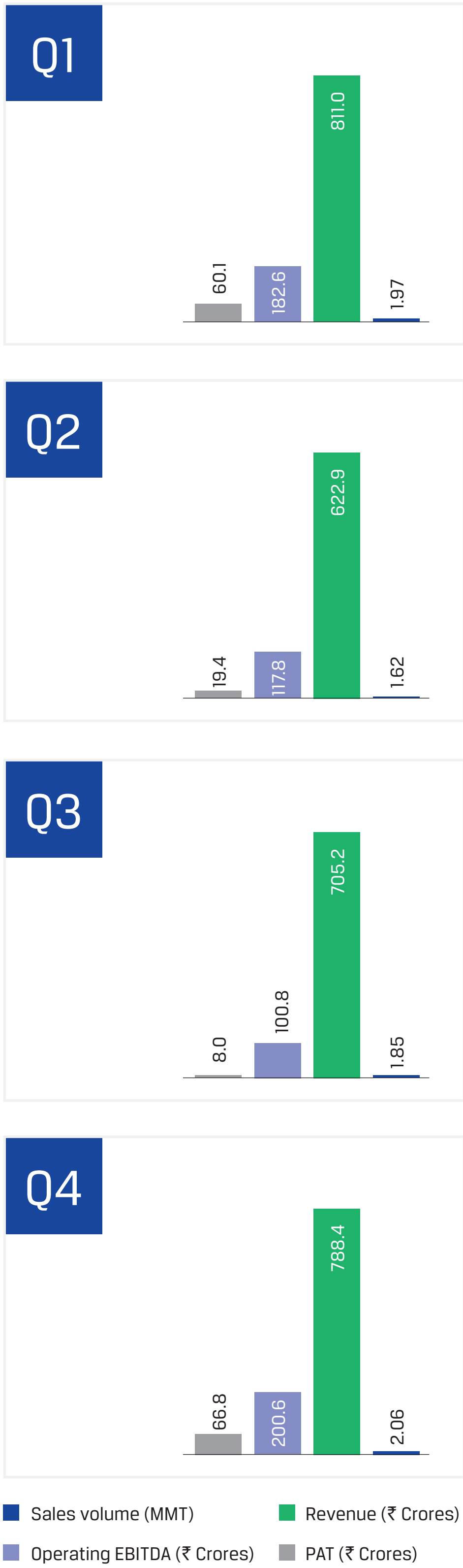
Nilesh Narwekar

CEO

A year of resilient growth

In FY2020, the Indian economy witnessed broad-based slowdown owing to global trade uncertainties, geopolitical headwinds, internal structural impediments and low consumer and investor confidence. Notwithstanding challenges, JSW Cement demonstrated resilience and recorded profitable performance, with strong volumes and efficient working capital performance.

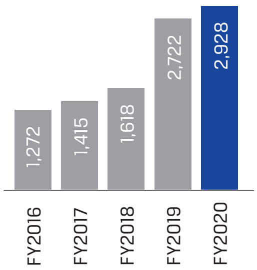
Quarter-wise operational highlights



Financial highlights - consolidated

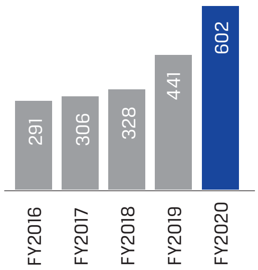
Revenue (₹ in Crore)

23.17%
(5-year CAGR)



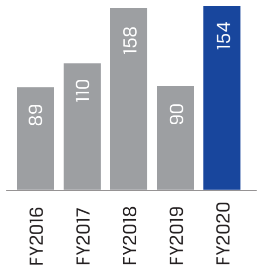
Operating EBITDA (₹ in Crore)

19.88%
(5-year CAGR)



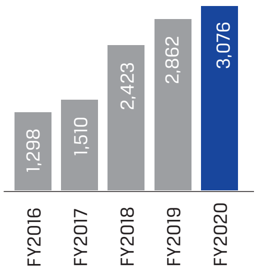
Profit After Tax (PAT) (₹ in Crore)

14.67%
(5-year CAGR)

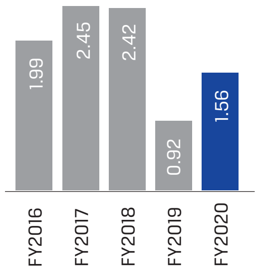


Net fixed asset (₹ in Crore)

24.07%
(5-year CAGR)

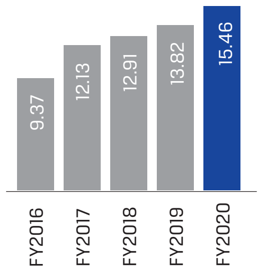


Earnings per Share (EPS) (₹)



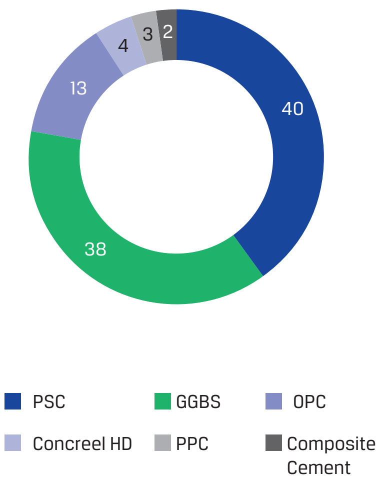
Book value per share (₹)

13.34%
(5-year CAGR)

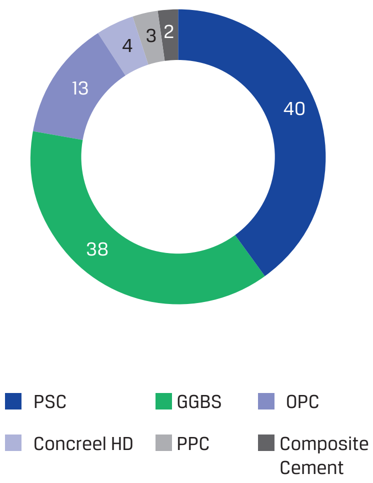


Product-wise highlights

Product-wise production volumes (%)



Product-wise sales volumes (%)



Driving wider outreach and impact

At a time when organisations and businesses around the world have been brought to their knees by an unseen, microscopic entity, it is extremely important to ask a fundamental question – 'How to build better and stronger bridges of trust with our employees, business partners and communities?' Our contemplation and interactions with various stakeholders have convinced us that we have the power to act as the harbinger of positive impact for all.

Dealer Conference at Grand Hyatt, Kochi

We launched several awareness campaigns regarding COVID-19 on all social media platforms to inform the JSW family about the virus. We are optimistic of the numerous aspects that will emerge from the ashes of this crisis, defining our growth and development for the new economy.

Stronger bonds of trust

One of the most important facets that defined our growth and development over the past year was our wide range of initiatives pertaining to nurturing the interests, capabilities, proficiencies and perspectives of those who are a part of the JSW family. Some important initiatives included the Annual Dealer Conference held in Turkey, along with state-specific conferences held across the countries for zonal dealers. We also held our annual sales conference with the core theme of ROAR – Rise, Outperform, Accelerate, Rule.

Other internal activities included foreign tours for dealers from all zones to destinations such as Japan and Thailand, as well as a curated visit to the ICC World Cup Match between India and England in Birmingham.

Internal evolution and transformation

Over the course of the last financial year, there were numerous instances that helped us delve deeper into our capabilities as a brand and enabled us to take crucial decisions that shifted existing paradigms. Each of these events was a test for us and contributed to the empowerment and enhancement of the principles, values and strategic approaches that have defined the organisation till date. The core experiences that helped us grow and evolve included the Jajpur plant inauguration, which was graced (through online presence) by Shri Naveen Patnaik, Chief Minister of Odisha, and several distinguished individuals. Moreover, we also unveiled many new sales support tools and enhanced our existing loyalty programme to strengthen the roots of JSW Cement.

Dealer Coference at Istanbul

Celebrating the victories

JSW Cement is an organisation that embraces and celebrates transformation, change and novelty. We believe in appreciating the works and efforts of those who have gone above and beyond their mandated responsibilities and roles. We were honoured with numerous recognitions over the past year, including Brand Excellence in Cement Industry presented by BTVI (Business Television India), India's

Greatest Brand 2018-19 at the 12th Edition of Asian Business & Social Investor Forum 2018-19 and at the 4th Edition of India's Greatest Brands & Leaders 2018–19, and the 19th Annual Greentech Environment Award.

Jajpur Launch

Strengthening the brand identity

Defining the brand identity and fuelling it in every way possible in the external environment is a core part of developing relevance in a brave new world. JSW Cement was the proud sponsor of Haryana Steelers in the Pro Kabbadi League 2019. The organisational heads also held a press conference at JSW Centre, BKC, which was attended by around 72 media journalists. The event was covered by major news channels, such as ET Now and Bloomberg Quint, and print media such as The Economic Times, The Hindu Business Line, The Financial Express, Loksatta and Business Standard. As a part of our social branding initiative, JSW Cement was involved with the government of Kerala and the Kadampuzha Life Mission for developing a fully equipped dialysis centre at Kadampuzha in Malappuram district, which was inaugurated on 12th January, 2020. We also initiated the construction of 11 rainwater harvesting pits in areas that have water logging issues across Chennai, Tamil Nadu.

JSW Cement participated numerous industry-level events and expos.

As participants, we were involved in the following events:

- ITP Media Metro Rail India Summit, Indian Infrastructure Summit (IIS) and National Council for Cement and Building Materials (NCBM) Delhi
- REDECON (National Seminar and Exhibition) 2020 at NIMHANS Centre, Bengaluru
- Manorama Parpidam – Home expo in Malappuram district, Kerala
- A blood donation camp organised as part of Engineer's Day by the Balasore Engineering Forum in Balasore
- A health camp in Hubli in collaboration with the Association of Consulting Civil Engineers to celebrate Engineer's Day
- CREDAI Property Show at Kurnool

We sponsored the following events:

- Core sponsor at Can Cup 2020 – Canara College Cricket Tournament, the brainchild of our dealer, M/s Bastikar Agency (Mangalore)
- Core sponsor at the Malappuram District Athletes Meet, which had over 1,400 participants
- Outdoor partner for the Bengali movie, Satyanweshi Byomkesh – We organised a special movie screening with elite dealers at Inox, which was graced by the lead actor, Mr. Parambrata Chattopadhyay
- Core sponsor at the Sonu Nigam live show held in Bengaluru
- Title sponsor of the third season of the Mathrubhumi Mastercraft Architect show
- The first fleet of trucks carrying composite cement was flagged off from Salboni Plant on July 16, 2019. To promote our product among the rural people, we used *nukkad natak* or street plays as vehicles of brand awareness. On the occasion of Durga Puja, we arranged an event called Durgatinashini, with an unfinished idol of the Goddess as the central point of festive focus. This idol 'spoke' about the various facets of the occasion, and was later donated to poor villages in the Sundarbans. Our brand name was also promoted by several magazines such as India Today, Construction World, Fortune 500 anniversary issue and Indian Cement Review, among others.

Sales Conference at Vijaynagar

Bridging the gap between the organisation and the collective

A fundamental aspect of the recipe for transformation is bridging the gap between the internal and external environments of an organisation. We undertook several initiatives that helped us bridge this gap in more ways than one, thereby expressing core brand objectives and aligning them with the collective movement that defines the world outside. These included:

- The Dolvi Transporters Meet for the transport company owners associated with the plant
- SCOPE 2020 arranged for over 250 engineers and their families in Kolkata
- A special dealers' meet called Rishtey 2019 for rewarding the elite members of the JSW family
- A logistics event called Momentum 2020
- An Engineers' Get-Together at Ramoji Film City, Hyderabad

STAYING AHEAD OF THE CURVE WITH PROJECT KSHAMATA

The word *kshamata* originates from the ancient Indian language of Sanskrit and stands for 'strength and capability', qualities that aptly reflect the persona of JSW Cement. We decided to name our partnership with McKinsey & Company as Project Kshamata – our endeavour to build an enviable world-class frontline sales engine across the industry.

JSW Cement has grown rapidly from 5 MTPA sales in FY2018 to 7.2 MTPA in FY2019, and aspires to scale up capacity from 14 MT to 23-25 MT over the next few years. While scaling up, we would like to grow differently from other cement companies and build an FMCG-like organisational culture and capability, which would be our source of sustainable competitive advantage. We want to develop an organisation with a 'challenger' mindset and an 'attacker' profile. We hope Project Kshamata will help us achieve our aspiration through:

Operating model

- **Refine the basic value creation processes to ensure best-in-class practices**
- **Refine technical selling and other key sales and marketing processes**

Technology enablement through digital and analytics

- **Implement key next-gen core front-end processes to leapfrog directly into Industry 4.0**
- **Develop tools to enable digital market mapping, churn reduction and omni-channel lead engine**

Talent, culture and mindset

- **Develop a 'challenger' mindset with a culture suitable for an 'attacker' player to achieve superior and stretched aspirations**
- **Recruit, build and retain exceptional talent with an 'agile' organisation structure and systems**
- **Adopt an academy approach to drive rapid testing and scale up, including building organisation capabilities**

Under Project Kshamata, JSW Cement plans to undertake granular market mapping across all JSW markets. The mapping will enable us to design market-specific channel architecture taking into consideration the relevant market priorities across geographies. Leveraging digitisation, we plan to develop an app for the frontline salesforce to empower them with real-time information. Dealers are also informed about this app to ensure continued customer delight.

Extensive usage of data and digitisation to drive demand, new initiatives on loyalty building for channel partners, superior branding and maximising extraction are some of the initiatives under Project Kshamata that will enable JSW Cement to drive exponential growth in volumes, increase market share in key priority markets and increase the volume of premium products.

McKinsey & Co. has a proven track record and deep expertise in delivering real value in growth transformation, particularly for cement companies, and in helping 'attackers' win against entrenched incumbents. The Company has championed 200+ growth transformations in 30 years in India; 25+ transformations in building materials in the last three years and has partnered with most major cement players in India. The Company also has a dedicated digital lab that develops practical tools for growth transformations.

By partnering with McKinsey & Co., we aspire to dominate the cement industry. The overall duration of this programme would be 14 months, in phases. This year, which marks Phase I, will focus on designing and developing a holistic 'recipe' in the selected pilot regions to achieve the key objectives of the programme.

Trends driving growth

The environment in which we operate impacts our profitability and business continuity, and decisions related to our strategy. In FY2020, government reforms were a driving force to the Indian cement industry; and we are ready to leverage emerging opportunities by aligning our strategies to the government's policy initiatives.

Real estate and infrastructure

In FY2020, the Indian economy witnessed high inflation, weak domestic consumption, and sluggish manufacturing and constructing activities. The country's GDP growth rate also touched 4.2%. To provide stimulus to the economy, the government has launched infra projects worth ₹103 Lakh Crores along with ₹1.70 Lakh Crores for transport, infrastructure and highway constructions.

The 2020 Union Budget focused on the National Infrastructure Pipeline (NIP), which will enable more than 6,500 projects in housing, irrigation, transportation, education institutes and logistics. Additionally, the government's thrust on development of highways and schemes such as Housing for All by 2022 and Pradhan Mantri Awas Yojana are also expected to drive cement demand. The rising real estate avenues in tier-2 cities, coupled with the government's plans to boost infrastructure, will also augur well for the cement industry.

Government initiatives to boost the cement industry

The 2020 Union Budget announced several proposals to boost the Indian cement industry. The government places emphasis on highways and road development; and also plans to extend its rural road network scheme, connecting all eligible habitations under Phase III of Prime Minister Gram Sadak Yojana (Prime Minister's Rural Road Scheme). To support India's aspirational agenda for economic growth, the government plans to set up new medical colleges and hospitals, renovate suburban railway infrastructure, and develop 100 more airports by 2024. All these initiatives are expected to create great demand for cement in the future.

How is JSW Cement leveraging these opportunities

Increasing focus on sustainability

The Indian cement sector is one of the largest contributors to circular economy and has been making conscious efforts to address the various challenges facing the sector. The Global Cement and Concrete Association (GCCA), in partnership with the World Business Council on Sustainable Development (WBCSD), launched GCCA India to promote sustainable practices in cement production. It will focus on promoting best practices in the areas of safety, production and use of cement and concrete in the built environment, promoting principles of a circular economy across the value chain and fostering innovation in the cement making and concrete sectors in a way that makes a positive contribution to sustainable development. Further, the cement industry is also collaborating with the Cement Manufacturers Association (CMA), Confederation of Indian Industry (CII), Federation of Indian Chambers of Commerce & Industry (FICCI) and Bombay Chamber of Commerce (BCC), among others, to further this agenda.

Innovation in processes, products and services, and technology

Embracing technological advances and innovation accelerates operational excellence. The Indian cement industry has already started using Artificial Intelligence (AI) and Machine Learning (ML), which improve energy performance, allow the reuse of materials, protect and restore natural resources, and build resilient infrastructure. Digitalisation is essential to achieving operational efficiency, transparency and real-time visibility. A host of integrated digital solutions are available to the industry to aid in the areas of plant production control, process control, process optimisation, quality control, laboratory management, and the installation of smart instrumentation within operations.

Our presence in rural markets and our strong network of contractors, masons and engineers hold us in good stead to extract most out of the demand generated from the boost to infrastructure. The loyalty app points generated from rural and semi-urban markets indicate we have been able to generate close to 3 Lakh MT of sale through the influencers associated with us in these markets. We are expanding our reach in these markets, and with enhanced influencer apps and touch points, we hope to continue increasing our reach in newer geographies.

Driving growth through our robust strategies

Although FY2020 has been a tough year, government initiatives to boost the Indian cement industry will create numerous opportunities. At JSW Cement, we are well-poised to leverage emerging opportunities and develop innovative solutions – on the back of a strong strategic roadmap.

- Capacity expansion
- Superior products
- Operational efficiency
- Enhanced brand visibility
- Environment protection

Capacity expansion

- Added 1.2 MTPA of installed capacity last year at Jajpur, Odisha, which increased our total capacity to 14.0 MTPA
- Added 1 MTPA clinker facility at Fujairah, UAE
- Expansion plans in pipeline:
  - Ramp up capacity to 25 MTPA by FY2025
  - Add a 1.36 MTPA clinker unit at Shiva, Odisha
  - Add a 2 MTPA grinding facility at Bhushan, Odisha
  - Add a 1.8 MTPA cement-grinding facility at Dolvi, Maharashtra

Superior products

- Introduced two premium products – CHD from Salboni and Jajpur units in eastern India, and Composite Cement in Goa and South Maharashtra
- Plan to launch Composite Cement premium in eastern India from the Salboni unit
- Plan to replace PSC with Composite Cement and Concreel HD in Karnataka, Kerala and Tamil Nadu in future

Operational efficiency

- Set up plants in strategic locations for better efficiency and uninterrupted power supply
- Manage resources through technological innovations
- Manage inbound logistics through investment in wagon tipplers
- Improve efficiencies in outbound logistics by employing technology for track and trace
- Dedicated railway rakes for timely delivery of raw materials and transportation of finished goods

Enhanced brand visibility

- Upcoming new branding promotions with Sourav Ganguly and Sunil Chhetri
- Launch of the new TV commercial campaign, 'The Leader's Choice', for eastern markets – We have onboarded former Indian cricket captain and current President of the Board of Control for Cricket in India (BCCI), Sourav Ganguly, and captain of India's National Football Team and Bengaluru FC, Sunil Chhetri, as the brand ambassadors. They will endorse the core brand message of 'Mazbooti jo badhti jaye'

Environment protection

- Reduced GHG emissions by eliminating about 0.85 tonnes of CO_2 for each tonne of Portland cement replaced
- Diminished energy consumption, since a tonne of slag cement requires nearly 90% less energy to produce than a tonne of Portland cement
- Curtailed the urban heat island* effect by making concrete lighter in colour, enabling it to reflect more light, and utilised cooling structures and pavements with exposed concrete

* An urban heat island is an urban area or metropolitan area that is significantly warmer than its surrounding rural areas due to human activities

A robust value creation model for a strong business

Inputs

Financial capital

- Equity: **₹986.4 Crores**
- Debt: **₹2,956.1 Crores**
- Capital expenditure**: ₹919.6 Crores**
- Retained earnings**: ₹542.3 Crores**

Manufactured capital

Plant-wise capacity

- Nandyal integrated unit: **4.8 MTPA**
- Vijayanagar grinding unit: **3.2 MTPA**
- Salboni grinding unit: **2.4 MTPA**
- Dolvi grinding unit: **2.2 MTPA**
- Shiva integrated unit: **0.2 MTPA**
- Jajpur grinding unit: **1.2 MTPA**

Outputs

PRODUCTS

PSC: **3.07 MMT**

OPC: : **0.95 MT**

GBBS: **2.88 MT**

Outcomes

- Net worth: **₹1,528.7 Crores**
- Revenue: **₹2,927.5 Crores**
- EBITDA**: ₹642.2 Crores**
- PAT: **₹154.3 Crores**

- Capacity utilisation: **57%**
- Increase in cement and GGBS production: **2.4%**

At JSW Cement, we strive to deliver long-term value to all our stakeholders at the lowest possible financial and environmental cost. Our robust business model aims to achieve this goal by identifying hurdles across the value chain and overcoming them to achieve excellence.

Human capital

- Employees on roll: **1,206**
- Contractual employees: **1,508**
- Training man-days per manager: **~2**

Social and relationship capital

- Total CSR expenditure: **₹3.8 Crores**

Natural capital

- Total fuel used: **2,46,246 tonnes**
- Total gas consumed: **3.4 Crores nm^3**
- Total water consumed: **6,52,736 m^3**
- Total electrical energy consumed: **~37 crore kWh**
- Thermal substitution rate: **8.26%**

Concreel HD: **0.31 MT**

Composite Cement: **0.15 MT**

Screened Slag: **0.48 MT**

EMISSIONS

Absolute net CO_2 emissions (Scope 1 and 2): **17,51,452 tCO_2e**

- Reduction in Lost Time Injury Frequency Rate (LTIFR): **0.39**
- Employee retention rate: **45%** employees with 3+ years of tenure
- Attrition rate: Dropped by 14% y-o-y
- Gender diversity: **5%**
- **40%** Graduate Rotation Programme are female
- Value created per employee improved by **8%** (EBIDTA per employee)

- Beneficiaries impacted: **1,58,264**
- Improved quality of life for the communities

- Wastewater recycled: **19,937 m^3**
- Of the total fresh water requirement, waste water requirement of which 3% was recycled water and 35% was harvested water. Thus reducing the dependency on groundwater and surface water resources.

Fostering deeper ties and shared value

At JSW Cement, we are committed to engaging proactively with our stakeholders and creating shared value. Our stakeholders – employees, vendors, suppliers and communities – are the foundation of our success and represent the true spirit of the organisation. We, therefore, undertake various initiatives to engage with them at local and regional levels, with focus on awareness, dialogue and collaboration.

Here are some highlights from the events we organised to appreciate and encourage those who form the soul of the organisation:

Foundation Day at Salboni

On January 15, 2020, we organised various festivities to celebrate the Foundation Day of JSW Cement, Salboni. The two-day event, which began on 14th January, 2020, saw mesmerising performances by employees, and a friendly football match between the Salboni Cement Football Team versus the promising Under 15 Boys Team from the Football Academy at Salboni. Mr. Parth Jindal inaugurated the Drivers' Rest Hall, a recent arrangement at the plant to provide wholesome work experience not only to our employees but also to our vendors and partners.

Champions Trophy 2020

Our love for sports is clearly visible in the various sporting events we organise for our employees and Champions Trophy – the intra cement cricket tournament – is one among the most popular. The Champions Trophy 2020 was organised at Nandyal between 3rd-5th January, 2020. Eight teams participated in the event and the audience witnessed nail-biting moments during the matches. Finally, Odisha Panthers emerged the winners, with Salboni Bengal Tigers taking the runner-up position.

Initiatives undertaken at our plants

DOLVI

- First-aid training workshop in collaboration with St. John Ambulance
- Digital signature invoicing to save time and deliver error-free work
- Christmas celebrations with engaging activities such as games, quiz, dance and music
- Voyage – Miles Together, an event to celebrate and gratify the transporters of the Dolvi plant

NANDYAL

- Learning workshop on building managerial effectiveness
- Vaikunta Ekadashi, Dussehra and New Year celebrations

VIJAYANAGAR

- Lakshmi Pooja
- Celebration of 11 years of JSW Cement Vijayanagar Works
- Sri Maremma Devi Pooja and Ayudha Pooja celebrations

SHIVA

- Annual Mines Safety Week celebrations
- New Year celebrations

JAJPUR

- Independence Day and Christmas celebrations
- Vishwakarma Pooja celebrations
- Picnic for employees and their families

SALBONI

- Workshop on driving business outcomes through collaboration and ownership
- Educational tour for students of KD College of Commerce
- Anand Mela
- Independence Day, Diwali and Christmas celebrations

Giving back to the communities

Iron for Life campaign in Nandyal to spread awareness about iron deficiency in schools

Essay competition on environment protection for schools in Vijayanagar

Distribution of sanitary napkins to adolescent girls in Nandyal

Distribution of bicycle to girl students in Nandyal

INSPIRING THE YOUTH THROUGH FOOTBALL

The world witnessed JSW Group's love for sports, and football in particular, with the launch of its football team, Bangalore FC, in 2013. Since then, there has been no looking back. JSW Cement has also played an active role in promoting the sport.

Mr. Parth Jindal's vision has always been to have a strong national football team. One that has Indian strikers and centre-backs. One that represents the strong infrastructural force that India is. It is with this vision that JSW Cement set out to launch the JSW Football Academy in Salboni.

The objective of the Academy was to unearth hidden talent in the surrounding Direct Impact Zone (DIZ) villages and provide them a platform to evolve into professional footballers. Thus began the tedious and meticulous process of identifying talent. Scouting was done under the strict guidance and rules of the Bengaluru Football Club (BFC) Team in Salboni for selection of the boys. Around 28 DIZ villages and surrounding areas were scanned, including schools. Preference was given to boys under the ages of 13 and 15 from the DIZ villages.

The crucial trial period

As many as 490 boys from the DIZ and surrounding villages were selected for the Initial trial by the BFC Team. After shortlisting, the final trial round consisted of 87 boys and the trials took place in the JSW Campus. Finally, 36 talented boys were selected for the Salboni Football Academy, with 14 boys under 13 and 22 boys under 15 years of age.

The tough practice schedule

The boys began practice three days a week.

Empowering the players with state-of-the-art facilities

- Players were provided with football kits, which included boots, jersey, shorts, socks, shin guard and track suit for winter.
- Free transport was provided to pick the players up from common pickup points and also drop them after the practice.
- Food was arranged for them before and after practice as per the diet chart recommended.
- On-ground first-aid was arranged.
- Meetings were arranged with the guardians and school teachers to keep them updated about the progress of their wards.
- Practice matches are organised frequently with different local football teams to gauge the progress of the Academy boys as well as build competitiveness and confidence among them.
- The Academy boys participated in the school district trial of Under-13 and Under-15, organised by the District Sports Association.

The fruits of success

Towards the end of the rigorous training and practice, one player under the age of 13 and four players under the age of 15 were selected for the School District Team.

Paving the way for a sustainable planet

At JSW Cement, we strive to adopt an eco-friendly approach across our processes and functions. We are cognisant of the environmental issues and the diminishing natural resources. To contribute our part and pave the way for a greener India, we use by-products such as blast furnace slag from steel plants and fly ash (waste) from power plants in cement manufacturing, which are effective not only in pollution management but also in natural resource conservation. Our unwavering efforts have made us the leading manufacturer of green cement in India.

Our business strategy has always focused on being responsible towards the planet and ecology, while creating sustainable economic value for all our stakeholders. We use industrial waste to manufacture superior quality cement in the most efficient and environment-friendly manner.

Last year, we enhanced our focus on sustainability and embarked on a journey of validating, disclosing and communicating our performance on the environment agenda to our stakeholders. During the journey, we have undertaken various steps and initiatives to improve our operations, while reducing their impact on the environment.

Reducing our carbon footprint

Rising carbon footprint is one of the main causes of global warming and climate change. At JSW Cement, we are working towards reducing our Greenhouse Gas (GHG) emissions, using renewable energy and increasing energy efficiency. We have undertaken certain definitive steps in these areas to minimise our carbon footprint:

- Use latest technology and energy-efficient processes with roller press grinding system in finish grinding mode for manufacturing cement products
- Utilise industrial waste, i.e., blast furnace slag, in manufacturing cement products
- Co-process alternative fuel in clinker plant at Nandyal unit to save coal/petcoke
- Use waste hot gases from clinker plant for slag drying, thereby saving coal/diesel
- Use solar power at Nandyal – 5.5 MW and Salboni – 3.5 MW
- Undertake rainwater harvesting inside the plant premises at all our plant locations as well as in the worked-out mining pit at our limestone mines at Nandyal
- Develop the green area in and around our plant premises

Initiatives undertaken to produce green cement

Reducing clinker ratio: Our experienced R&D team is continuously striving to use alternative cementitious materials, which could conserve limestone and energy, while reducing the manufacturing cost of cement.

Manufacturing the eco-friendly Composite Cement: Composite Cement, our new range of blended cement, uses both fly ash and blast furnace slag, thus using industrial wastes while reducing the manufacturing cost of cement.

Using alternate fuel: During FY2020, at Nandyal, we co-processed ~36,519 tonnes of waste in an environmentally friendly manner. Different waste streams constitute hazardous material mainly from pharmaceutical or bulk drugs industries, rice husk and carbon black. We utilise these wastes in place of traditional fuel to manufacture cement, thus reducing 28,504 tCO_2e.

Using solar energy: At Nandyal and Salboni, we have consumed ~1,31,54,319 units of power from solar energy during FY2020, which has contributed to the reduction of ~12,101 tCO_2e.

Contributing to circular economy: Most of our product portfolio consists of blended cements, which are manufactured using industrial wastes or by-products. During FY2020. We have utilised 2.29 MMT of slag and 0.06MMT of fly ash in our cement manufacturing process during the year, thus reducing the consumption of natural resources such as limestone and water.

Ensuring energy-efficient processes: This year, we undertook the following energy efficiency initiatives:

- Minimised pressure drop across the static separator of the raw mill circuit
- Replaced one slag mill fan with high-efficiency impeller with inlet cone
- Minimised pressure drop in the preheater down comer
- Installed two 37 KW Variable Frequency Drive (VFD) in the coal conveying blower to control the flow and reduce power consumption
- Installed three 55KW VFD in the packing plant bag filter fan and reduced the speed up to 65%
- Installed three VFD in place of Direct On Line (DOL) feeder for packing plant bag filter fans
- Replaced 20 of 400 W MH fittings with 250 W LED bay light fittings

Nandyal – Exceeding the Perform Achieve and Trade (PAT) targets

Our Nandyal plant was considered a Designated Consumer (DC) in the PAT Cycle II as per the Bureau of Energy Efficiency (BEE) and the plant has completed its first PAT cycle in FY2019. During June 2019, a Monitoring & Verification (M&V) audit was conducted and the following findings were reported to the BEE:

- Baseline Specific Energy Consumption (SEC) – 0.0649 tonne of oil equivalent (toe)/tonne of equivalent product
- Target SEC (FY2019) – 0.0618 toe/tonne of equivalent product
- Actual SEC (FY2019) – 0.0565 toe/tonne of equivalent product

Nandyal has surpassed its PAT target by reducing its specific energy consumption by 0.0053 toe/tonne of equivalent product during FY2019. Energy Savings Certificates (ESCerts) will be issued to the equivalent amount of energy reduced when compared to the target. For this PAT cycle, our Nandyal plant will be accorded ~12,076.7 ESCerts. They are valid up to the next PAT cycle and can be used for plant compliance or traded in the market.

Our Environment Product Declaration (EPD) framework

We engaged M/s Thinkstep Sustainability Solutions Pvt Ltd (now M/s Sphera) for carrying out EPD in accordance with ISO 14025 and EN 15804, for our green products. As part of this, a Life Cycle Assessment (LCA) was carried out by them using their proprietary software (GaBI). The outcomes from LCA are about GHG emission, energy consumption, other emissions, wastes generation etc and these results went through a third party verification process. After the third party verification process, the final EPD has been registered and published for JSW PSC and JSW GGBS, which validates our claim of low carbon emission from our PSC cement.

As a result of the lower clinker factor due to substitution with blast furnace slag, the Global Warming Potential of our PSC product was found to be 325.14 kg CO_2/tonne of PSC – one of the lowest in the cement industry.

Disclose: Last year, we participated in the Carbon Disclosure Project (CDP) for the first time. CDP is a not for profit charity based out of London, UK, that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. By participating in CDP, we want to assure our stakeholders of our ethical operations. We will continue to participate in CDP every year and be transparent to our stakeholders and society at large.

Communicate: We have joined hands with Global Cement & Concrete Association (GCCA). GCCA is working on various initiatives on sustainability and innovation, along with its member companies, affiliates and partners. This association has been formed in place of the erstwhile Cement Sustainability Initiative (CSI) which was part of the World Business Council for Sustainable Development (WBCSD).

As a part of GCCA, we have contributed & benefitted in the following areas:

- Knowledge sharing
- Best practices deployed in the cement industry
- Support in policy advocacy
- Sustainability
- Benchmarking
- Focus on use of blended cements as well as dissemination of information on benefits of blended cements

Empowered and diverse workforce

JSW Cement has grown from strength to strength over the years and today, we are a 14 MTPA cement company. We have expanded our footprint across the country by setting up manufacturing facilities and entering new markets across South, West and East India. With growth and expansion, challenging the normal has become our way of life and true to our tag line #Better Everyday, we imbibe and nurture challenges to further accelerate our growth journey.

In our growth trajectory, each year has been unique and FY2020 was no different. This was a milestone year as our skilled Human Resource team contributed on several fronts, ranging from setting up teams to capability building to contributing to the society. The teams across functions and geographies exhibited extraordinary collaboration and achieved several milestones during the year – successful commissioning of the 1.2 MTPA cement grinding facility at Jajpur, establishment of our footprint in the markets of coastal Odisha, organisation of the 'Champions Trophy' at Nandyal, temple inauguration at Nandyal and multiple sales conferences, to name a few.

Jajpur Launch

Challenges – Our stepping stones to success

Our intent has always been to build teams that are flat, agile, cost competitive and have the 'challenger' mindset. We continued to strengthen teams across functions and geographies and added close to 200 employees to our growing family during FY2020. Most of our new recruits were for our Jajpur plant and Supply and Management team in coastal Odisha. While we support business growth through resource addition and redeployment, we continuously review and realign the team structures in line with business needs. One such initiative in this direction was the formation of two distinct sales teams – Direct Sales and Channel Sales – to cater to various consuming segments in our key markets in Andhra Pradesh, Telangana, Karnataka, Tamil Nadu and Maharashtra.

Capability building

Our business draws a lot of strength from its people and we firmly believe in nurturing talent through various people-centric interventions. Several learning initiatives, coupled with role movements, provided multi-faceted professional exposure to our people during the last year.

With specific focus on enabling People Managers to become leaders, we conducted a series of workshops on performance conversations covering more than 120 managers across the organisation. These workshops enabled our managers to have meaningful and empowering discussions with their team members to drive performance excellence. During the year, we also focused on building trust among the team through structured intervention on work place collaboration and cohesiveness. Our sales managers participated in various workshops to enable them to manage self, team and all stakeholders in a world filled with volatility, uncertainty, complexity and ambiguity.

Annual Sales Meet

While our best-in-class and contemporary workplace facilities at various locations ensure the wellness and safety of our employees, we continued our efforts on building a safe and healthy workplace covering all stakeholders. As part of this initiative, employees and external stakeholders were covered under the safety training and related refresher courses on safety.

We continued our efforts to infuse 'leaders of tomorrow' into our workforce by inducting 28 Engineering graduates from diverse engineering backgrounds. This year, the batch of Graduation Rotation Programme experienced rotation across all our manufacturing locations and gained hands-on experience.

Focus on Diversity and Inclusion (D&I)

Over the last few years, JSW Group has made long strides in the ongoing D&I narrative. Simultaneously, JSW Cement has espoused that focus as well by giving opportunities to talent from diverse backgrounds. The endeavour in this direction continued during FY2020 as we increased the number of female hires through campus hiring and in select techno-commercial roles. In addition, three of our female employees made it to the Group-led Springboard initiative and are on their learning journey in collaboration with IIM, Bangalore.

Growing together

As a people-centric organisation, we continue to focus on empowering our employees to write success stories for themselves and the organisation. Monthly review meetings, townhalls and one-to-one senior leadership interactions help us capture the thoughts and suggestions of employees. The revision in our incentive philosophy was a result of inputs and suggestions received from our employees.

We held our Annual Sales Meet in the sprawling campus of Inspire Institute of Sports, where our entire sales team converged to review, reflect and set the tone for the year. The sales meet saw two days full of engagement and team bonding sessions, sharing of the vision by the leadership, followed by interactions, reflections by spiritual gurus and awards night.

With our state-of-the-art Nandyal manufacturing location as the backdrop, eight teams representing our manufacturing locations and sales zones converged to fight for the coveted 'Champions Trophy.'


Corporate training programme for "Driving Business Outcomes Through Collaboration

At JSW Cement, safety remains a topic of vital concern. We have already implemented certain measures to ensure the health and safety of our employees. Now our aim is to continue improving our safety parameters to achieve zero harm across our facilities.

Here is a glimpse of the safety measures we have undertaken at our plants

Nandyal

SAFETY MEASURES UNDERTAKEN

- 28,748 hours training imparted to improve the safety systems
- 1,126 near-misses reported and analysed, and ready with high-potential and preventative actions to avoid reoccurrence
- 110 workers Identified and awarded for safe work practices
- 100% compliance of all statutory requirements pertaining to safety
- 11,124 safety observations identified and closed
- National Safety Week celebrated and more than 700 employees participated in different competitions organised during the campaign. Deputy Chief Inspector of Factories attended the closing ceremony and honoured the 129 winners
- Safe removal of tarpaulin from raw material trucks; a special platform has been designed, erected and is being used successfully to avoid the raw materials falling from the truck

Salboni

SAFETY MEASURES UNDERTAKEN

- 57 safe man-days, without LTI, until 31st March, 2020
- 1,591 near-misses reported and all high-potential near misses investigated
- 22 workers awarded 'Safe Worker of the Month' to improve safety culture
- 4,397 safety observations identified and corrected
- 16,412 hours of training on safety systems imparted to all full-time and contract employees
- 100% compliance of statutory requirements

Vijayanagar

SAFETY MEASURES UNDERTAKEN

- 474 safe man-days until 31st March, 2020
- 574 workers awarded 'Safe Worker of the Month' to improve safety culture
- National Safety Day and Week celebrated in a grand manner and winners awarded prizes
- Successfully completed Composite Cement and PSC bulk-loading projects without any incident
- 100% compliance of all statutory requirements pertaining to safety
- 1,006 near-misses reported
- 17,456 hours of training on safety systems imparted to all employees and contract workers
- 1,023 safety observations identified and corrected
- Special training programmes conducted on firefighting for employees
- A training programme on Contractor Safety Management conducted to enhance the knowledge on contractor safety management standards
- No injuries reported in the plant in the last five months

Dolvi

SAFETY MEASURES UNDERTAKEN

- Conducted building stability audit and safety audit
- Celebrated National Safety Week and Road Safety Week grandly and awarded the winners
- 2,865 safety observations identified and unsafe acts/ behaviour corrected
- 201 near-misses reported
- 160 workers awarded 'Safe Worker of the Month' to improve safety culture
- 5,656 hours of training on safety systems imparted to all employees and associate employees
- Online carbon monoxide station installed towards capturing the CO leakage in ambient workstation

Jajpur

SAFETY MEASURES UNDERTAKEN

- 894 safe man-days reported until 31st March, 2020
- 8,617 training hours imparted
- 275 near-misses reported and all high-potential near-miss cases investigated
- Safety signage displayed for improving safety awareness
- National Safety Week celebrated grandly and prizes distributed to winners

Our journey towards safety excellence

Safety Is a journey – a journey towards keeping our most important asset – our people – safe. We undertook the DuPont Safety Excellence Journey to continue fostering a culture of safety and fully integrate it into our business. Through this journey, we strive every day to make our working environment safer and to meet our safety goals.

Here are some of the safety measures that form part of the Journey:

- Conducted a two-day induction programme for all new workers and employees successfully in all locations
- Prepared Job Safety Analysis (JSA) for all routine and non-routine activities, explained the hazards and implemented mitigation measures to avoid any unwanted incidents while performing the task at all locations
- Prepared, approved, displayed and explained the cardinal and general safety rules to all employees
- Personal Protective Equipment (PPE), Lock Out & Tag Out (LOTO), Permit to Work (PTW), Working at Height (WAH) and Confined Space Entry (CSE) task force teams prepared the procedure and training modules and commenced training programmes at all locations, except Jajpur plant
- All senior employees trained on Safety Observation (SO) procedure; conducted SO tours as per schedule in all operating locations – the schedule compliance was 83%
- To ensure Contractor Safety Management (CSM), all contractors go through the pre-qualification assessment before being awarded
- Rewarded safe working employees to encourage safety culture across locations
- Trained the drivers on defensive driving techniques on a daily basis
- Conducted Contractor Safety Field Audit (CSFA) in all project works
- Implemented investigative and preventive actions for all major incidents to avoid the reoccurrence and they are reviewed by the Executive Committee on a monthly basis; no fatal incidents reported during the financial year
- JSW Cement's LTIFR was 0.39

Responsible, every step of the way

Since inception, JSW Cement has always partnered in community development. Stakeholder integrity and commitment are deeply embedded in our corporate DNA and we continue to strengthen our responsibility towards the community.

We have contemplated a holistic, integrated and sustainable approach to cater to the needs of the communities. This has been developed through a participatory approach at all levels. Stakeholders' involvement, transparency and convergence are important tools during this process. The objective of all these efforts is to build a good rapport and trust-based relationships with nearby communities and other stakeholders such as the government and NGOs.

Our relationship-building initiatives have helped evolve long-term transformative programmes across a range of intervention areas. Our activities are aligned to make communities self-dependent and develop a sense of ownership of these projects for further maintenance, which makes the project sustainable and impactful. Our Corporate Social Responsibility (CSR) activities are directed largely towards the following areas:

- Livelihoods
- Education
- Health
- Rural development
- Sanitation

Rajgangpur (Shiva)

OBJECTIVES
- Empower women economically through capacity building

INITIATIVES UNDERTAKEN
- Organised 16 awareness sessions on livelihood
- Provided training in tailoring to 60 women
- Provided training on mushroom cultivation to 76 women in association with the government
- Established linkages with the government for financial support to women Self-help Groups (SHGs)

IMPACT
- Formed 23 SHGs and the SHGs received loan of ₹3 Lakhs from the government
- 27 women earning ₹7,000 per month through mushroom cultivation

OBJECTIVES
- Ensure improved quality of education in government schools
- Ensure 100% student enrolment in schools
- Ensure 0% dropout

INITIATIVES UNDERTAKEN
- Provided teaching through digital classes in five government schools
- Renovated eight anganwadis and work in two is in progress
- Created awareness on personal hygiene and cleanliness
- Organised essay competitions on various topics
- Provided learning materials to anganwadi children
- Organised district-level inter-school kabaddi championship
- Organised district-level science exhibition

IMPACT
- Student enrolment increased by 7% compared to last year
- Improved health behaviour (personal hygiene)
- Ensured zero dropout rate

OBJECTIVES
- Ensure accessibility of quality healthcare services to people of DIZ villages
- Ensure malaria-free DIZ villages

INITIATIVES UNDERTAKEN
- Strengthened government Community Health Centre (CHC) by providing lab equipment
- Organised mobile health camps
- Organised special health and sanitation drives to control the spread of dengue
- Undertook anti-malarial fogging in the DIZ villages

IMPACT
- Reached out to 1,254 villagers through mobile clinics
- Dengue was controlled
- Cases of fever reduced

OBJECTIVES
- Ensure proper infra facilities in DIZ villages

INITIATIVES UNDERTAKEN
- Installed 30 more solar street lights in DIZ villages
- Provided solar water supply in two villages

IMPACT
- 2,200 villagers receive water
- Infrastructure in villages improved (street lighting)

OBJECTIVES

Empower the livelihoods of 250 rural women and enable them to earn ₹5,000 per month

INITIATIVES UNDERTAKEN

- Organised nine awareness sessions on livelihoods
- Provided training in tailoring, making jute products and acid phenyl making
- Organised three jute product exhibitions at the district headquarters
- Provided capacity building to 70 SHGs

IMPACT

- Trained 238 women (FY2020)
- 535 women trained so far
- The women earned ₹7,000-9,000 per month
- 160 SHG members availed loan of ₹24 Lakhs from the government
- The standards of living improved

OBJECTIVES

- Increase Class 10 pass out rate to 75% from 68%
- Ensure 100% student enrolment in Direct Impact Zone (DIZ) villages
- Zero dropout from schools

INITIATIVES UNDERTAKEN

- Organised an awareness drive for student enrolments
- Provided education kit to 550 students
- Provided teaching through digital classes in 14 schools covering 2,500 students
- Provided bicycles to 75 girl students who were travelling from other villages to pursue secondary education
- Engaged the services of Vidya Tutors in five schools
- Renovated and made one centre the model anganwadi
- Renovated the model school
- Provided scholarships to 15 students through NSDL
- Organised mandal-level inter-school sports meet where 700 students participated
- Provided study material to 475 students of class 10-12
- Provided sanitary napkins to 843 adolescent girls

IMPACT
- 10th pass-out rate increased to 94%
- Sustaining zero dropout rate
- One more student selected for NIT
- Two students honored with state government Prathibha award
- Improvement in the health and well-being of the students
- Students from a private school at Bilakalagudur shifted to government schools because of the facilities provided at government schools by JSW Cement

OBJECTIVES
- Prevent and control non-communicable diseases
- Sustain 100% institutional deliveries and immunisation
- Promote menstrual hygiene

INITIATIVES UNDERTAKEN
- Strengthened the government Primary Health Centre (PHC) by providing lab machinery and engaged the services of the lab technician and a staff nurse
- Organised mobile and special health camps
- Provided screening and treatment of non-communicable diseases
- Raised awareness on various health issues / seasonal diseases / care for pregnant women, lactating mothers and infant children through Village Health and Nutrition Days (VHNDs)

IMPACT
- Reached out to 14,603 villagers through mobile/special health camps
- Treatment of 293 non-communicable disease cases identified
- Sustaining increased outpatient footfall (200%) at the PHC in Gadivemula
- No malaria case recorded for the last three years in the DIZ villages
- 100% institutional deliveries and immunisation

OBJECTIVES
- Ensure proper internal roads and drains
- Ensure purified drinking water to villagers of Bilakalagudur and Bujunur
- Ensure proper street lighting in DIZ villages

INITIATIVES UNDERTAKEN
- Constructed a 200-metre Composite Cement road in Bilakalagudur village
- RO plants are functional and villagers have access to purified water
- Laid water pipeline in SC colony in association with the government
- Installed 28 more solar streetlights in five villages

IMPACT
- 8,500 villagers getting purified water
- Improved infrastructure in villages by providing street lighting and roads

OBJECTIVES
Ensure ODF+ in DIZ villages

INITIATIVES UNDERTAKEN
- Spread awareness in the villages on sustaining ODF and to achieve ODF+ in association with garam panchayats
- Raised awareness on solid waste management in schools
- Initiated collection of Multilayered Plastic (MLP) waste from the schools

IMPACT
Sustained ODF in four villages

COMMUNITIES

Salboni

OBJECTIVES

- Improve livelihood through sustainable farm and non-farm practices
- Converge with government for financial inclusion of people for better impact
- Capacity building and empowering women through SHG promotion and financial inclusion

INITIATIVES UNDERTAKEN

- Provided training and capacity building on improved agricultural practice for 300 farmers
- Provided land treatment and hand holding support to farmers for better production
- Converted barren and mono-crop land to multi-crop land
- Ensured better market linkage to ensure the price of the agri product
- Liaised with banks for credit linkage and converged with government schemes
- Provided training on livestock rearing for SHG members
- Empowered women with skills in phenyl and sal leaf plate making
- Provided capacity building training for SHGs and established credit linkage

IMPACT

- Income of farmers increased from Rs. 96,000/annum to Rs. 1,24,560/annum
- Yield increased by 24% compared to FY2019
- Cultivable land area increased from 318 acres to 467 acres
- 56-acre land converted from mono-crop to multi-crop through integrated farming model
- Paddy yield improved from 18 quintals to 24 quintal/acre
- Through convergence, 295 farmers benefited from government schemes such as Kisan Credit Card, livestock insurance scheme, Krishak Bandhu, Krishi Vigyan Kendras (KVKs), etc.
- 74 members trained in livestock rearing
- 60 women engaged in phenyl, liquid soap and sal leaf plate making business
- 11 SHGs received loan of ₹18.80 Lakhs and invested in various income-generation initiatives
- Total 34 SHGs comprising 358 women merged with State Anandadhara Project to avail various government support and benefit schemes

OBJECTIVES

- Increase in school enrolment of primary school children by 10%
- Improve basic infrastructure in four primary schools
- Ensure 0% dropout among secondary school students
- Improve the read/write ability of children
- Capacity building of 25 teachers
- Remedial support to 100 secondary students with 100% promotion to next class

INITIATIVES UNDERTAKEN
- School enrolment drive for children
- Infrastructure support to two schools
- Teaching/Learning Materials (TLM) support for better class management and joyful learning
- Smart class for better learning in primary schools
- Capacity building programme for school teachers
- Coaching classes for 350 secondary students on a regular basis
- Awareness programme for community people
- Sports events and various extracurricular events

IMPACT
- Increase in student enrolment by 15%
- Ensured 0% drop out
- Children's average attendance increased from 55% (baseline data) to 70%
- Improvement in learning level; 56% children can read and analyse the comprehensive text compared to baseline data of only 27%
- 35 students appeared for the Board exam and the remaining 315 students promoted to next class

OBJECTIVES
- Control of non-communicable diseases
- Emergency ambulance service
- Ensure 100% institutional deliveries and immunisation
- Oral Rehydration Solution (ORS) distribution in summer

INITIATIVES UNDERTAKEN
- Mobile health camps and static clinics covering 28 villages
- Provided 24-hour ambulance service for the villagers
- Provided screening of diabetic patients
- Provided training to Rural Health Assistants (RHAs)
- Spread awareness on maternal and child health care in DIZ villages
- Undertook the ORS distribution programme during summer to community people

IMPACT
- 16,053 villagers availed the health services through mobile and static clinics
- 606 patients supported with various diagnostic tests
- 397 people availed the ambulance service; no case of death was reported
- Ensured 100% institutional deliveries
- No case of death reported due to sun stroke

OBJECTIVES

- Expose the students to a better infrastructure and study of environment
- Increase student attendance and decrease absenteeism and dropout rates

INITIATIVES UNDERTAKEN

- Constructed two classrooms in the government schools of Jakhapura

MPACT

- 110 students of two schools benefitted through Improved infrastructure and safe and healthy classrooms

OBJECTIVES

- Ensure quality healthcare services to the DIZ villagers
- Strengthen public and community healthcare centres outreach and services

INITIATIVES UNDERTAKEN

- Provided medical equipment to CHC, Danagadi and to PHC, Barakhai

MPACT

- Equipment will technically keep the OT and labour room operational
- Better healthcare delivery
- Average 200 patients per day availing the services

Initiatives undertaken for the prevention and control of COVID-19

As a responsible corporate citizen, we have always taken proactive steps to help the communities in time of need. Through various initiatives, we empowered our people and the communities in which we operate to fight the COVID-19 pandemic.

NANDYAL

Initiatives

- Spread awareness on preventive measures through leaflets in the villages
- Provided 15,000 masks to the on-duty government personnel (medical staff, police, municipal workers, and so on) and the villagers
- Provided around 40 litres of sanitiser
- Provided free food to on-duty government officials
- Provided 25 mattresses to the quarantine centre
- Provided vegetables to 2,200 households (5 kg each)
- Provided groceries to 6,500 households
- Provided 1,400 PPE kits to medical personnel and municipal workers through the district collector
- Organised sanitation drives in the DIZ villages

SALBONI

Initiatives

- Provided PPEs and sanitiser to medical staff, housekeeping staff, associates, government office staff and police personnel
- Undertook sanitisation drive in DIZ villages
- Distributed food to 150 workmen and drivers on a daily basis

RAJGANGPUR (SHIVA)

Initiatives

- Provided six beds, 3,000 masks, 2,500 gloves, 15 mosquito nets, 20 pillows with covers, 3 litres of hand wash, 10 litres of sanitiser, 100 soaps, two laser thermometers, 20 N95 masks and 20 bed sheets to CHC, Kutra and PHC, Khatkurbahal
- Provided dry ration, food and PPEs to the patients, migrants and people staying in different shelter homes for quarantine through district administration

JAJPUR

Initiatives

- Provided 2,840 cooked food to the patients admitted in CHC, Danagadi
- Provided logistics support (four-wheeler used as an ambulance) for supervision and review of patients in the CHC, Danagadi
- Provided 500 kg bleaching powder to district administration for sanitisation of the villages and public places of Jajpur
- Provided mask, hand sanitiser, hand gloves, and hand wash

Committed to high standards of business integrity

At JSW Cement, good corporate governance is integral to our commitment to sustainable value creation. We are committed to the highest standards of governance and ethics and adhere to relevant laws and regulations. Our sound governance principles and practices underpin the long-term sustainability of our business and are vital to achieving our strategic objectives.

For us, governance is a continuous journey – one that considers the overall well-being and welfare of all our stakeholders, along with business goals. The Board of Directors is responsible for maintaining robust governance, while balancing stakeholder expectations with its duties as a responsible corporate citizen. To ensure a strong foundation for governance, our Board has a balanced mix of experts, forming a core group of top-level executives.

We also induct competent professionals across the organisation and put in place appropriate systems, process and technology to ensure we have the appropriate competencies to achieve our goals. We believe that we can enhance stakeholder value and customer satisfaction only if we promote fairness, integrity, transparency and accountability across our functions.

Governance structure

Board of Directors

Board Committees

- Audit
- Nomination & remuneration
- Project review
- Corporate social responsibility
- Sustainability
- ESOP
- Finance
- Risk

The Management reports to the Board

Key corporate functions

- Finance
- Manufacturing operations
- Human resources
- Sales and marketing
- Logistics
- Commercial
- Safety
- Legal
- Information technology
- Sustainability

Board committees and their responsibilities

The Board comprises seven committees. Each committee fulfils a certain set of responsibilities that supports and enables the management to achieve its strategic goals and creating stakeholder value

Committee	Responsibilities
Audit Committee	› Reviews the Company's reporting process and disclosures and valuation of undertakings or assets, wherever necessary › Evaluates internal financial controls and risk management systems › Recommends the appointment, remuneration and terms of appointment of auditors › Scrutinises inter-corporate loans
Nomination and Remuneration Committee	Determines the Company's policy governing remuneration of the Managing Director, Whole-time Directors and Senior Management and the nomination and appointment of Directors
Corporate Social Responsibility Committee	Develops the Corporate Social Responsibility Policy, indicating the activities to be undertaken by the Company, and recommends the expenditure for such activities; also monitors the policy from time to time
Project Review Committee	› Closely monitors the progress of projects, their cost and implementation schedule with the objective of timely project completion within the budgeted project outlay › Considers deviations, if any, with a comprehensive note detailing the reasons for such deviation and its impact on viability parameters
Risk Committee	› Reviews the Risk Management Policy from time to time and assesses the Company's risk profile and key risk areas › Provides a methodology to identify and analyse the financial impact of loss to the organisation, employees, the public and the environment
ESOP Committee	Determines the employees eligible for participation in the ESOP and the performance parameters for grant and/or vesting of options granted to employees
Finance Committee	Is authorised to avail credit/financial facilities from banks/financial institutions/corporate bodies to alter/vary terms, conditions and repayment schedules, including premature payments of the credit/financial facilities availed from lenders, with or without premium on such payments
Sustainability Committee	› Is responsible for the adoption of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, 2011 (NVGs) in the business practices of JSW Cement › Is responsible for the adoption of all sustainability policies/standards › Monitors the progress of business sustainability initiatives

Policies and frameworks for ethical conduct

To ensure a pervasive culture of good governance, the Company has created the environment agenda and instituted polices and frameworks for ethical business conduct. These corporate governance policies are communicated regularly to the management, employees and other stakeholders. They include:

- **Management Policy (Policy on quality, environment, health and safety)**
- **Energy Management Policy**
- **CSR Policy**
- **Remuneration Policy**
- **Whistle Blower Policy**
- **Anti-Bribery and Anti-Corruption Policy**
- **Corporate Environment Policy**
- **Board Evaluation Policy**
- **Nomination Policy**
- **Risk Management Policy**

Board of Directors

1

Mr. Nirmal Kumar Jain

R E F A N C P

2

Mr. Parth Sajjan Jindal

S

3

Mr. Nilesh Narwekar

F S

4

Mr. Narinder Singh Kahlon

5

Mr. K. Swaminathan

6

Mr. Kantilal Narandas Patel

C N R E F

7

Mr. Pankaj R. Kulkarni

A E P R

8

Mr. Biswadip Gupta

C P

9

Mr. Jugal Kishore Tandon

A N P S C R E

10

Ms. Sutapa Banerjee

A C P S

COMMITTEE DETAILS

A Audit Committee

N Nomination and Remuneration Committee

C Corporate Social Responsibility Committee

P Project ReviewCommittee

R Risk Committee

E ESOP Committee

F Finance Committee

S Sustainability Committee

C Chairman M Member

Board of Directors

1 Mr. Nirmal Kumar Jain

Chairman

Mr. Jain has over four decades of rich experience in the areas of Mergers and Acquisitions (M&As), finance, law and capital restructuring. He is a Commerce graduate, and a Chartered Accountant and a Company Secretary by profession. He served as an executive coach and mentor of human resources for the JSW Group's skilled workforce.

Mr. Jain joined the JSW Group in 1992 and held positions of increasing responsibilities, including as Director – Finance in 1994, Deputy MD & CEO in 1996 and Executive Vice Chairman of Jindal Iron & Steel Co. Ltd. He was involved in the management of joint ventures with leading business partners from across the globe.

2 Mr. Parth Jindal

Managing Director

Mr. Jindal has a bachelor's degree in Economics and Political Science from Brown University, US. He has also done his MBA from Harvard Business School, US.

He joined the JSW Group in 2012 and has worked as an Economic Analyst. Before joining the Group, he worked with JFE Steel in Tokyo – Japan's second-largest and the world's fifth-largest integrated steel manufacturing company.

3 Mr. Nilesh Narwekar

Whole-time Director and CEO

Mr. Narwekar holds a masters' degree in Management from Jamnalal Bajaj Institute of Management Studies, Mumbai and a bachelor's degree in Electronics and Communications engineering from NIT, Calicut. In his previous roles, he was associated with Strategy (formerly Booz & Co.), Accenture, Procter & Gamble and Wipro Lighting.

His primary responsibilities in the Company include making major corporate decisions and managing the overall operations and resources of the Company. He leads in the development of the Company's short- and long-term strategy and evaluates the work of other executive leaders within the Company.

4 Mr. Narinder Singh Kahlon

Director, Finance

Mr. Kahlon is a Commerce graduate from Punjab University, Chandigarh and is a qualified Chartered Accountant from the Institute of Chartered Accountants of India, New Delhi. He has 27 years of experience in finance, accounting, auditing, indirect taxes & procurement. He was associated with Haldia Petrochemicals, Bhushan Power & Steel Limited, MGM Group of Companies and K.C.T & Bros (C.S) Limited.

His primary responsibility in the Company includes planning, implementation, managing and running all the finance activities, including business planning, budgeting, forecasting and negotiations. He has a strong understanding of the Company's business model and industry and uses his expertise to provide an independent perspective and constructively challenge the commercial and operations teams. With his experience, he helps ensure that business decisions are grounded in solid financial criteria.

5 Mr. K. Swaminathan

Director, Sales and Marketing

Mr. Swaminathan is a Chartered Accountant and Cost Accountant with more than three decades of rich experience in the field of sales, marketing, logistics and commercial functions. He has spent most of his professional career in the cement industry and has worked across markets within India and Bangladesh.

He has worked with Dalmia Bharat Cement Limited where he was an Executive Director and oversaw sales, marketing and logistics functions for South and West India. Prior to this, he was associated with Jayprakash Associates Ltd., Lafarge India Pvt. Ltd and ACC Limited.

He oversees the sales and marketing department of the business and develops strategic sales and marketing objectives. He establishes sales territories and quotas, manages budgets and evaluates sales performance.

Note: Appointed w.e.f August 8, 2019

6 Mr. Kantilal Narandas Patel

Non-executive Director

Mr. Patel is a Commerce graduate from Mumbai University and a Fellow Member of the Institute of Chartered Accountants of India. He possesses over 42 years of experience in corporate finance, accounts, taxation and legal.

Mr. Patel is a Joint Managing Director & CEO of JSW Holdings Limited. He is also the Director of JSW Infrastructure Limited, JSW Jaigarh Port Limited, South West Port Limited and other JSW Group Companies. He was with Standard Industries Limited (Mafatlal Group) for 21 years prior to joining the Jindal Group.

7 Mr. Pankaj R. Kulkarni

Non-executive Director

Mr. Kulkarni began his career in 1981 with M/s. M. N. Dastur & Co., a premier engineering firm in India. Thereafter, he worked in various capacities with Essar Group and was responsible for the 10 million tonne expansion of their Hazira Works. He has implemented and operated large projects in India, Indonesia, Korea and Chile.

8 Mr. Biswadip Gupta

Non-executive Director

Mr. Gupta is a Metallurgical Engineer and an MBA in Marketing with over 35 years of experience in the steel and ceramic industries. He is experienced in setting up steel, power and cement plants. He was the Managing Director of Vesuvius India Ltd., a multinational corporation (MNC). In 2007, he was awarded the coveted 'Banga Ratna' award by the Rotary Club.

Presently, he is: a) The President – Corporate Affairs of JSW Steel Ltd. b) Director of various other corporate bodies, and corporate welfare and charitable trusts c) Member of ASSOCHAM and d) Chairman of western region, Indian Chamber of Commerce.

9 Mr. Jugal Kishore Tandon

Independent Director

Mr. Tandon obtained his B.Tech degree in Metallurgical Engineering from IIT Bombay in 1962. During his tenure of four decades, he was the Director and CEO of Sunflag Iron and Steel Plant, Maharashtra; Director and CEO of Essar Steel; and Jt. Managing Director and CEO of JSW Steel Limited.

He was also Director – Projects in JSW Steel Limited. He was designated as the first CEO of Corporate Sustainability of JSW Group. He has received prestigious awards for his meritorious contribution to the Metallurgical Industries, such as 'Tata Gold Medal' by the Indian Institute of Metals in 2000, 'Distinguished Alumnus Award' from IIT Bombay in the year 2001 and 'National Metallurgist (Industry) Award of Ministry of Steel and Mines, Government of India' in 2007.

10 Ms. Sutapa Banerjee

Independent Director

Ms. Banerjee holds a B.Sc. (Economics Hons.) degree and a PGDPM from XLRI, Jamshedpur with 23 years of experience in the financial services industry across two multinational banks and a boutique Indian investment bank. She has proficiency in start-ups, writing the business case and creating the business model, operating model, processes and client propositions. She was appointed the Nominee Director of the ISIS Fund promoted by the New York based Women's World Banking (WWB) and the Netherlands-based Triodos. Ms. Banerjee is also on the Board of the NBFC Ananya Finance, which pioneered lending to microfinance companies in India.

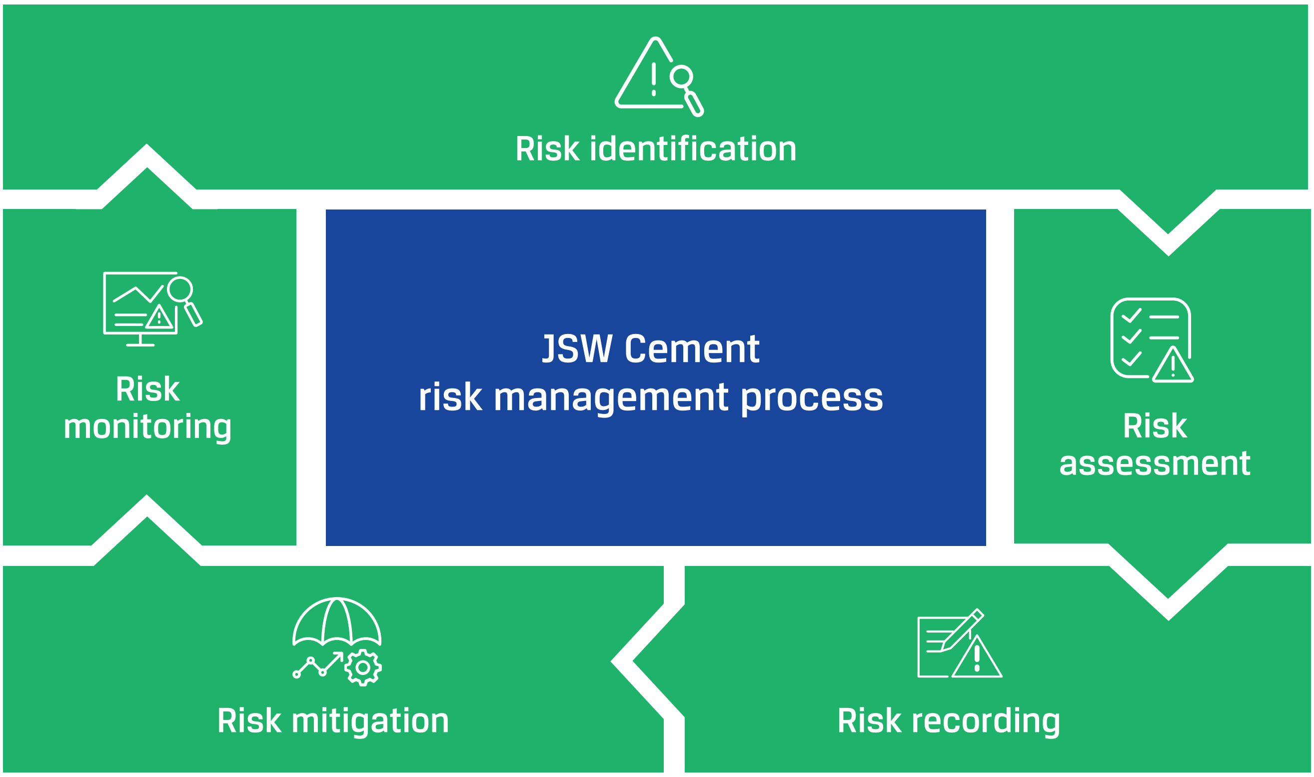
Managing and mitigating risks strategically

Our overarching objective is to grow sustainably and create long-term value for our stakeholders. Risk management is an inseparable part of good corporate governance. It is also key to deriving benefits from opportunities. By embedding effective risk management in our decision-making processes and day-to-day activities, we can safeguard our business, while driving it towards our strategic goals.

To ensure prompt and efficient risk mitigation, we follow the globally recognised COSO* framework of Enterprise Risk Management (ERM). ERM identifies the potential upside and downside of all factors that can affect the organisation. Once the risks are identified, we quickly analyse them and set up mitigation measures to:

- Protect our shareholders and the interests of other stakeholders
- Achieve our business objectives
- Enable sustainable growth
- We have constituted a sub-committee of Directors to oversee the ERM framework and ensure:
- Execution of decided strategies with focus on prompt action
- Risks arising out of unintended consequences of decisions or actions related to performance, operations, compliance, incidents, processes and systems are monitored and managed appropriately

Our risk management process



Our risk management process

Risk domains	Our responses
Demand-supply dynamics	› Widening market base and enhancing value addition, while focusing on quality excellence and customer relationships › Tracking macro and micro economic factors, and specific factors related to the country, › industry and the market segment that impact consumption › Building better market intelligence with inputs from the marketing team
Raw material	› Tracking commodity markets › Initiating more options to broad-base sourcing › Building captive capacities for slag and clinkers › Managing relationships with suppliers for regular supply and timely signals about the future › Tracking government policies/developments in sourcing countries
Infrastructure and logistics	› Having a centralised logistic cell that facilitates and ensures that the logistic cost is optimum by adopting the most economical mode of transport › Allocating budget appropriately and prioritising resources to meet the demand of present and future infrastructure › Undertaking repairs/replacement of critical infrastructure when needed
Environment, health and safety	› Closely monitoring compliance with norms › Regularly tracking changes in technology and future norms › Conducting medical check-up of labour at regular intervals › Coordinating safety training, mock drill, best practices, structures audit and Hazard and Operability (Hazop) study › Engaging international consultant DuPont for rolling out international safety standards across all plant locations in India › Putting in place fire prevention and handling processes › Reviewing safety, fatal accidents / near-miss accidents, if any, in the monthly Apex Safety Council › Providing medical facilities and mediclaim policy cover for employees and their families
COVID-19 pandemic	› Ensuring strict adherence to government advisories at all locations › Avoiding group meetings and providing required facilities for work from home › Providing support to all employees on the 'We care' platform to ensure their emotional well-being during lockdown › Issued travel advisory restricting travel to impacted countries › Implementing social-distancing measures › Taking all measures to be ready to resume operations as soon as the market opens
Attraction and retention of the desired manpower	› Setting up an effective talent search process › Strong HR policies and processes for hiring and retaining talent › Competitive compensation › Robust performance management system to reward potential › Identified and created a separate pool of employees across bands and grooming them for next-level roles through specially designed Future-Fit Leadership Development programmes from IIM-Ahmedabad, ISB-Hyderabad and Cornell University, USA › Providing attractive ESOPs to retain talent › Providing online learning courses for employees in collaboration with M/s Skill-soft to develop project management, team building, communication and other skills
Reputation	› Strict adherence to applicable statutes through compliance check-lists, internal communications, regular audits › Robust corporate governance practice and code of conduct › Effective stakeholder and performance management
Finance	› Tracking and monitoring external events that have impacted financial performawnce › Regularly reviewing financing, hedging, pricing and procurement policy, considering exposure, emerging scenario, track record, etc. › Effective monitoring of internal performance and cash flows through internal meetings and continuous improvements in information and communication systems
Confidentiality, integrity and availability of data and systems	› Periodically assessing the current state and prioritising the foundational components of cyber security › Conducting cyber security programmes across India in all plants and offices, in view of growing threats of cyberattacks due to increased online trades and transactions › Incorporating cybersecurity and privacy into everyday business decisions and processes › Monitoring threats and responding, investigating and remediating cybersecurity-related incidents and data breaches

*Committee of Sponsoring Organisations of the Treadway Commission

At JSW Cement, our efforts towards developing sustainable cement products and creating long-term value for all have been consistently recognised. These recognitions encourage us to keep doing our best and contribute to the development of India.

In FY2020, we received the following recognition for our efforts towards a cleaner, greener environment:

Nandyal

Awarded a prestigious **'4-Star Rating' by CII** for excellence in commitment to Environment and Health and Safety Practices

Won the **'Greentech Environment Award 2019'** for outstanding achievement in Environment Management

Won the **'Apex India Excellence Awards 2019'** under the Gold Category for outstanding achievement in Environment Management

Recognised with the **'Apex India Excellence Awards 2019'** under the Gold Category for outstanding achievement in Occupational Health & Safety Management

Vijayanagar

Won the **'Apex India Excellence Awards 2019'** under the Gold Category for outstanding achievement in Occupational Health & Safety Management

Won the **'Greentech Environment Award 2019'** for outstanding achievement in Environment Management

Recognised with the **'Greentech Environment Award 2019'** for outstanding achievement in Safety Management

Kurnool

Secured a **'4-Star Rating'** for commitment of EHS practices in the CII-SR EHS Excellence Awards for 2019

CII-Green Products and Services Council has certified that our GGBS product meets the requirements of **GreenPro Certification and qualifies as a green product**

CORPORATE INFORMATION

Board of Directors

Mr. Nirmal Kumar Jain
Chairman

Mr. Parth Jindal
Managing Director

Mr. Nilesh Narwekar
Whole-time Director and CEO

Mr. Narinder Singh Kahlon
Director Finance and CFO

Mr. K. Swaminathan
Director, Sales and Marketing

Mr. Kantilal Narandas Patel
Non-executive Director

Mr. Pankaj Kulkarni
Non-executive Director

Mr. Biswadip Gupta
Non-executive Director

Mr. Jugal Kishore Tandon
Independent Director

Ms. Sutapa Banerjee
Independent Director

Company Secretary

Ms. Sneha Bindra
*Appointed w.e.f 23rd May, 2020

Statutory Auditors

M/s. HPVS & Associates
Chartered Accountants, Mumbai

Cost Auditors

M/s. R. Nanabhoy & Co.
Chartered Accountants, Mumbai

Secretarial Auditors

M/s. S. K. Jain & Co.
Company Secretaries

Bankers

Axis Bank
Bank of Bahrain and Kuwait
Bank of India
Canara Bank
Exim Bank
ICICI Bank
Indian Bank
Indusind Bank
Kotak Mahindra Bank
Mashreq bank
RBL bank
South Indian Bank
Syndicate Bank
Yes Bank

Registrar and Share Transfer Agent

Karvy Computer Share Private Limited
Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032
Tel: 040 - 6716 1500
Fax: 040 - 2300 1153
Toll Free No.: 1800 345 4001
Email: einward.ris@karvy.com

Registered Office

JSW Centre
Opp. MMRDA Ground,
Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400 051
Tel: 022 - 4286 1000
Fax: 022 - 2650 2001
Website: www.jswcement.in

Works

Vijayanagar Works
P. O. Vidyanagar, Toranagallu Village,
Sandur Taluk, Bellary District,
Karnataka - 583 275
Tel: 08395 - 250120 - 130
Fax: 08395 - 241003 / 241030

Nandyal Works
Village Bilakalaguduru, Gadivemula
Mandal,
Nandyal, Dist. Kurnool,
Andhra Pradesh - 518 501
Tel: 08514 - 202301 - 08

Dolvi Works
Unit 1
Survey No. 96/1, 96/2, 97/0
Village Khar Karavi, Dolvi,
Taluka - Pen, District - Raigad,
Maharashtra - 402 107

Unit 2
Survey No. 107/B, 109, 114-118,
Village Khar Karavi, Dolvi,
Taluka-Pen,
District - Raigad,
Maharashtra - 402 107

Salboni Works
Ankur Complex, VILL - Jambedia,
P.O. - Sayedpur (Viya Salboni),
PS - Salboni, Dist:- Paschim,
Midnapur - 721 306,
West Bengal

Jajpur Works
Kalinga Nagar Industrial Complex,
Village: Jakhpura, Tehsil: Danagadi,
Jajpur-755026

1. Company status and performance

JSW Cement, a leading cement producer from the house of JSW Group, was incorporated in 2006 and started its commercial operations in 2009. It has plants at Nandyal (Andhra Pradesh), Vijayanagar (Karnataka), Dolvi (Maharashtra), Salboni (West Bengal) and Jajpur and Sundargarh (Odisha), which produce varieties of cement such as Portland Slag Cement (PSC), Ordinary Portland Cement (OPC), Concreel HD, Composite Cement, Portland Pozzolana Cement (PPC), Ground Granulated Blast Furnace Slag (GGBS) and Screen Slag. JSW Cement primarily utilises slag from JSW Steel's plants to produce green cement.

JSW Cement's flagship plant at Nandyal uses world-class technology to manufacture cement. It has also won prestigious awards for its energy-saving processes. With key markets in Telangana, Andhra Pradesh, Karnataka, Tamil Nadu, Kerala, Goa, Maharashtra, West Bengal, Jharkhand, Bihar and Odisha, JSW Cement has been delivering high-quality products to several prominent and large infrastructural projects in the eastern, southern and western regions of the country.

The Company's current production capacity is 14.0 MTPA. During the year, at Jajpur location, the Company has commenced trial production a grinding unit of 1.2 MMTPA.

The Company's subsidiary at Fujairah, UAE has started trial production at the 1 MTPA clinker manufacturing facility during the year. The clinker manufactured at Fujairah will be partially imported to India to meet the clinker requirements of the Dolvi plant and the remaining will be sold in international markets.

The main thrust of the Company is to produce green cement, i.e. PSC, which is engineered for strength and durability, by converting industrial by-product (blast furnace slag) into a useful product. This has reduced the carbon footprint of the Group.

2. Global economic overview

According to the World Economic Outlook, April 2020 by the International Monetary Fund (IMF), the world economy grew at 2.9% in CY2019, slowing down from 3.6% in CY2018. The trade tensions between the US and China, tariff-related uncertainties, disruptions in the oil market and a prolonged Brexit deal contributed to the slowdown. The US economy remained relatively strong, growing at 2.3%. Growth in China slowed down due to pressure on exports. However, due to support from the government to boost infrastructure, growth in China moderated, but held up at 6.1%. Affected by pressures from the Brexit uncertainty and political instability in some of its member states, the eurozone continued to witness staggered growth.

The COVID-19 pandemic has affected economies world over as nations imposed lockdowns of varying extent to break the chain of transmission. Governments have been supporting nations by easing global monetary policy and providing fiscal support to offset the weakness in growth to some extent. However, as per the IMF, global economic activity is likely to contract to 3% in 2020 and the global growth environment is expected to remain challenging in the short term.

2.1 OUTLOOK

As the extent of the impact of COVID-19 is yet to be ascertained, there could be significant downside risks to the forecast. If the pandemic subsides by the second half of 2020, the economy might witness a sharp rebound by 5.8% in 2021. However, the situation is marked with uncertainty due to concerns surrounding the duration of the lockdown, growth in infection rate with the opening up of economies, timeline for development of the vaccine and other related factors.

Global growth forecast (%)

Countries	Actual	Projections	
	2019	2020	2021
World output	2.9	-3.0	5.8
Advanced economies	1.7	-6.1	4.5
US	2.3	-5.9	4.7
Eurozone	1.2	-7.5	4.7
Japan	0.7	-5.2	3.0
UK	1.4	-6.5	4.0
Other advanced economies	1.7	-4.6	4.5
Merging markets and developing economies	3.7	-1.0	6.6
China	6.1	1.2	9.2

Source: The IMF

3. Indian economy

The Indian economy witnessed a cyclical slowdown in FY2020, from 6.8% in FY2019 to 4.2% in the year under consideration. Industrial activity remained healthy at the beginning of the year and moderated later. The trade environment remained weak and witnessed increasing protectionism. However, service exports remained resilient at about 8%. Unseasonal rains and scanty rainfall during the monsoons resulted in a temporary spike in food inflation.

To boost the economy, the government eased credit to the stressed real estate sector and Non-banking Financial Companies (NBFCs). The government speeded up the insolvency resolution process of the Insolvency and Bankruptcy Code (IBC) and raised the fiscal deficit target to 3.8% as opposed to the 3.3% set for FY2020 in the Union Budget 2020-21. The Reserve Bank of India (RBI) also reduced the repo rate by 135 bps throughout the year. On the back of continued policy initiatives, India continued to progress in the Ease of Doing Business rankings, climbing up 14 places to reach the 63rd rank.

The outbreak of the COVID-19 pandemic in Q4 of FY2020 and the ensuing nationwide lockdown impacted supply chains, lowered demand and brought businesses to a standstill. The rising uncertainty around the pandemic resulted in increased volatility in global financial markets, which significantly impacted the Indian currency. The government's announcement of a relief package worth ₹ 20 Lakh Crores (roughly 10% of the GDP) would help revive the economy, albeit in a gradual manner.

3.1 OUTLOOK

Economic activity is expected to revive in a phased manner due to the lifting of the lockdown in coming months. The fiscal and monetary stimulus provided by the government are likely to stabilise the economy. Sustained low oil prices might also provide the economy with its much-needed recovery. The IMF has forecasted the economy to grow at reach 1.9% in FY 2020-21 and 7.4% in FY 2021-22.

4. Overview of the Indian cement industry

4.1 PERFORMANCE

The Indian cement industry is the second largest in the world in terms of production, accounting for ~8% of the global production installed capacity. India has an estimated cumulative production capacity of ~550 MTPA in 2020.

India has 210 large cement plants and 350 smaller ones. Of the large plants, 77 are located in the states of Andhra Pradesh, Rajasthan and Tamil Nadu. Capacity addition of 20 MTPA is expected from FY2019 to FY2021 (Source: IBEF). Sale of cement in India stood at ₹ 58,407 Crores (US$ 8.29 billion) in FY2020. India's export of cement, clinker and asbestos reached US$ 1.66 billion in FY2020.

The demand of the cement industry is expected to reach 550-600 MTPA constantly by 2025 due to the expanding demand of different related divisions such as housing, commercial construction and industrial construction.

Top 10 cement-producing countries in the world in 2019

Rank	Country	Production in MMT
1	China	2,200
2	India	320
3	Vietnam	95
4	US	89
5	Egypt	76
6	Indonesia	74
7	Iran	60
8	Russia	57
9	Brazil	55
10	South Korea	55

4.2 DEMAND DRIVERS AND OPPORTUNITIES

1. **National infrastructure pipeline**

   The government has proposed to invest ₹ 103 Lakh Crores on 6,500 projects until 2025. This will propel infrastructure development across urban infrastructure, roads, railways, etc., creating additional demand for cement. Sovereign wealth funds will get 100% tax exemption on infra investments, which would fast track infrastructural spend.

2. **Housing**

   Initiatives such as conferring industry status to real estate and easing credit lines for real estate development would accelerate the enablers of the cement industry.

3. **Internship with Urban Local Bodies (ULBs)**
The government has proposed a programme for ULBs to provide internship opportunities to young engineers. This would create an additional pool of talent for future employment in the cement industry.

4. **Rural infrastructure**
Allocation to the Pradhan Mantri Gram Sadak Yojana (PMGSY) was increased by 38.6% to ₹ 19,500 Crores. Higher allocation to infrastructure projects would lead to increased demand for cement.

4.3 GOVERNMENT INITIATIVES

The government has proposed to invest ₹ 102 Lakh Crores to build ports, airports, motorways or irrigation canals. This is expected to drive demand for cement in the near future. The government's infrastructure investment plan – with the Housing for All and Smart Cities Mission – will boost the cement sector's demand by 5-6%. Input cost pressures for the industry have declined lately. Prices of pet coke, an important raw material for cement, have come down by 15-20% through 2019, and the impact was seen in the coming quarters of FY2020.

In the Union Budget 2020-21, Finance Minister, Nirmala Sitharaman, laid emphasis on highway and road development, as a measure to boost the economy. The focus on project preparation facilities for infrastructure projects and the national logistics policy that will be released soon should help boost infrastructure and have a positive impact on the economy. The Union Budget aims at making growth more inclusive while retaining focus on the immediate priorities. Priorities given to household, roads, railways, economic corridors, solar power and accelerated development of highways will boost development and wealth creation. The government is expected to upgrade 1,25,000 kms of road length over the next five years. These initiatives are expected to augur well for the cement industry as it plays a strong role in the government's aspirational agenda for transformative economic growth.

Further, the government is also focusing on doubling farmer income and developing warehouses and cold storage facilities in rural India. This will strengthen the agri-infrastructure development in India, which will in turn boost cement demand.

4.4 OUTLOOK

India Ratings and Research (Ind-Ra) expects successive declines in cement demand in FY2021, following the FY2020 trend, with growth plunging to a historical low of negative 4-5% y-o-y given the nationwide lockdown due to the COVID-19 pandemic. The impact of labour force and supply chain disruptions are expected to linger even after the lockdown is lifted. Muted demand has led to a decline in capacity utilisations, which is likely to affect the ability of cement manufacturers to sustain prices at the current levels. The agency expects these factors to reduce EBITDA by ~20% compared.

While demand is likely to decline by 40-50% y-o-y in Q1 of FY2021, Q2 could witness a low single-digit growth. A gradual pick-up in infrastructure spending and the release of the pent-up demand might bring about a significant recovery to the cement industry in Q3 of FY2021. With the lockdown impacting income and purchasing power of agricultural and daily wage earners, the individual home builder driven rural housing segment will witness a slowdown in FY2021.

5. Review of operations

5.1 HIGHLIGHTS OF FY 2019-20

1. Achieved the highest volume of 7.50 MTPA of cement, GGBS and clinker

2. Commissioned a grinding unit facility with a capacity of 1.20 MTPA at Jajpur, Odisha

3. Commissioned a clinkerisation facility of 1 MTPA at Fujairah, UAE

5.2 WAY FORWARD

Plan to increase capacity cement and clinkerisation facilities by:

- Commencing the construction of a 1.5 MTPA clinker facility by our subsidiary Shiva Cement Ltd. at Sundargarh, Odisha

- Undertaking a greenfield project to put up 0.6 MTPA grinding facility at Salem, Tamil Nadu

6. Financial review

Standalone

6.1 HIGHLIGHTS OF FY2020

(in ₹ Crores)

Particulars	FY2020	FY2019	Growth (%)
Net turnover	2,761.20	2,647.33	4.3
Operating EBIDTA	591.59	450.94	31.2
EBIDTA margin (%)	21.4%	17.0%	25.8
Other income	54.78	65.60	(16.5)
Depreciation and amortisation	134.92	107.30	25.7
Finance cost	265.42	235.72	12.6
Profit before tax	246.03	173.52	41.8
Profit for the year	161.76	118.46	36.6
Other comprehensive income	(10.77)	(0.08)	-
Total comprehensive income	150.99	118.38	27.5
Earnings per share (diluted)	1.64	1.20	36.7
ROCE (%)	13.7	11.9	15.1
Net debt gearing ratio (times)	1.8	1.9	(7.5)

The Company achieved a capacity utilisation of 57 % in FY2020 and production of 7.47 MT of cement and GGBS, recording a growth of 2.2% y-o-y.

During the year, the Company's revenue increased by 4.3 % from ₹ 2,647.33 Crores to ₹ 2,761.20 Crores. The primary drivers for this performance were increase in realisations and sales volumes. This has helped the Company report an operating EBITDA of ₹ 591.59 Crores for the year, marking a growth of 31.2 % y-o-y. EBITDA margin for the year stood at 21.4 %. The Company registered a net profit after tax of ₹ 161.76 Crores.

6.2 REVENUE ANALYSIS

(in ₹ Crores)

Particulars	FY2020	FY2019	Change (%)
Total manufactured finished goods	2,690.07	2,580.50	4.2
Traded	9.07	8.90	1.9
Government incentive	44.91	37.92	18.4
Other operating income	17.15	20.01	(14.3)
Gross revenue	**2,761.20**	**2647.33**	**4.3**

During the year, the gross revenue has increased by 4.2 % from ₹ 2,647.33 Crores in FY2019 to ₹ 2,761.20 Crores in FY2020.

The outbreak of the Covid-19 pandemic in India in March 2020 and the consequent containment measures imposed by the government impacted business activities. The Company scaled down / suspended production across all facilities following the imposition of the first phase of nationwide lockdown on March 24, 2020.

6.3 OTHER INCOME

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Other income	54.78	65.60	(16.5)

The decrease in other income is mainly due to decrease in miscellaneous receipts in FY2020.

6.4 MATERIAL COST

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Cost of materials consumed, including purchase of traded goods and change in inventories	584.25	625.80	(6.6)

The Company's expenditure on material consumption decreased by 6.6 % from ₹ 625.80 Crores in FY2019 to ₹ 584.25 Crores in FY2020. The decrease is primarily due to change in product mix and consumption parameters.

6.5 EMPLOYEE BENEFITS EXPENSE

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Employees remuneration and benefits	170.09	143.89	18.2

The employee benefits expense increased by 18.2 % from ₹ 143.89 Crores in FY2019 to ₹ 170.09 Crores in FY2020. The increase is primarily due to an increase in annual compensation for existing employees.

The Company has an employee strength of 1,206 as of March 31, 2020 vis-à-vis 1,050 as of March 31, 2019.

6.6 POWER AND FUEL COST

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Power and fuel cost	388.01	434.41	(10.7)

Power and fuel cost has decreased by 10.7 % from ₹ 434.41 Crores in FY2019 to ₹ 388.01 Crores in FY2020. The decrease was primarily due to change in accounting of thermal power plant from operating lease to Right of Use (ROU) assets as per IND AS 116.

6. 7 FREIGHT AND HANDLING EXPENSES

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Freight and handling expense	636.35	633.23	0.5

Freight and handling expenses have increased by 0.5 % from ₹ 633.23 Crores in FY2019 to ₹ 636.35 Crores in FY2020.

6.8 MANUFACTURING, MARKETING, ADMINISTRATIVE AND OTHER EXPENSES

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Other expenses	393.42	368.96	6.6

Manufacturing, marketing, administrative and other expenses have increased by 6.6 % from ₹ 368.96 Crores in FY2019 to ₹ 393.42 Crores in FY2020. The increase was primarily owing to an escalation in the expenditure on advertisement, branding fees and donation given.

6.9 FINANCE COST

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Finance cost	265.42	235.72	12.6

The Company's finance cost has increased by 12.6 % from ₹ 235.72 Crores in FY2019 to ₹ 265.42 Crores in FY2020. There was an increase to the extent of ₹ 15.13 Crores attributes to transition of leases as per IND AS 116.

6.10 DEPRECIATION AND AMORTIZATION EXPENSES

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Depreciation and amortisation expenses	134.92	107.30	25.7

Depreciation and amortisation expenses increased by 25.7 % from ₹ 107.30 Crores in FY2019 to ₹ 134.92 Crores in FY2020. The increase of ₹ 13.43 Crores is due to the impact of full-year depreciation on assets capitalised during the previous financial year and assets capitalised during the current financial year. The transition to IND AS 116 has an impact of ₹ 14.28 Crores for ROU assets.

6.11 FIXED ASSETS

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Tangible assets	2,919.15	2,694.07	225.08
Intangible assets	10.90	12.05	(1.15)
Capital work-in-progress	452.68	308.52	144.16
Total	**3,382.73**	**3,014.64**	**368.09**

The net block of property, plant and equipment increased by ₹ 368.09 Crores during the year primarily on account of capital expenditure incurred for green field expansion of 1.20 MTPA cement grinding unit at Jajpur, Odisha.

With effect from April 1, 2019, the Company adopted Ind AS 116 'Leases' and applied the standard to all lease contracts existing on the date of initial application, i.e., April 1, 2019. This resulted in the recognition of ROU assets of ₹ 223.30 Crores and lease liability (separately disclosed in balance sheet) of ₹ 214.16 Crores as on March 31, 2020.

6.12 INVESTMENTS

(in ₹ Crores)

Particular	2019-20	2018-19	Change
Investments in subsidiaries, associates and joint ventures	666.15	217.78	448.37
Other investments	-	0.42	(0.42)
Total	**666.15**	**218.20**	**447.95**

The increase in investment is mainly due to conversion of loan and advance given to subsidiaries and associates into equity and optionally convertible debentures.

6.13 OTHER FINANCIAL ASSETS

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Other non-current financial assets	0.01	-	0.01
Other current financial assets	66.14	62.88	3.26
Total	**66.15**	**62.88**	**3.27**

6.14 OTHER NON-FINANCIAL ASSETS

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Other non-current assets	98.96	131.26	(32.30)
Other current assets	231.62	232.94	(1.32)
Total	**330.58**	**364.20**	**(33.62)**

The decrease is mainly due to decrease on project creditor advances over the previous financial year.

6.15 LOANS AND ADVANCES

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Long-term loans and advances	34.11	143.46	(109.35)
Short-term loans and advances	241.43	489.95	(248.52)
Total loans and advances	**275.54**	**633.41**	**(357.87)**

On an overall basis, loans have decreased mainly due to conversion of loans and advances into equity and optionally convertible debentures.

6.16 INVENTORIES

(in ₹ Crores)

Particular	2019-20	2018-19	Change
Raw materials	177.31	113.82	63.49
Semi-finished goods	29.11	14.17	14.94
Finished goods	44.32	25.05	19.27
Stores and spares	118.70	80.47	38.23
Fuel	33.35	20.87	12.48
Total inventories	**402.79**	**254.38**	**148.41**

The inventory has increased due to increase in bulk raw material inventory, namely clinker, coal and coke. The increase in semi- finished goods and finished goods was due to the impact of the fall in sales in March 2020 due to the outbreak of Covid-19 in India.

The average inventory holding in terms of number of days as on March 31, 2020 is 55 days vis-à-vis 39 days in March 31, 2019.

6.17 TRADE RECEIVABLES

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Total debtors	411.07	393.21	17.86
Less provision for doubtful debts	(1.12)	(0.52)	(0.60)
Trade receivables	**409.95**	**392.69**	**17.26**

The debtors in terms of average number of days sales as on March 31, 2020 is 53 days as compared to 38 days in March 31, 2019. The increase in credit days is attributable to the increase in trade sales in the geographical area where credit days are more and extended credit period is given to the non-trade segment.

6.18 BORROWINGS

(in ₹ Crores)

Particular	2019-20	2018-19	Change
Long-term borrowings	2,006.62	2108.23	(101.61)
Short-term borrowings	341.43	151.68	189.75
Current maturity of long-term borrowings	323.64	274.02	49.62
Total borrowings	**2,671.69**	**2,533.93**	**137.76**

Long-term borrowings including current maturity of long-term debts has decreased by ₹ 51.99 Crores during the year.

Short-term borrowings has increased by ₹ 189.75 Crores during the year. The increase was primarily due to fresh drawal of working capital loan facilities from the bank.

6.19 TRADE PAYABLES

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Trade payables	575.44	470.93	104.51
Acceptances	208.34	200.61	7.73
Total trade payables	**783.78**	**671.54**	**112.24**

Trade payable increased by 16.7%. The increase was mainly due to increase in dues to group companies.

6.20 OTHER FINANCIAL LIABILITIES

(in ₹ Crores)

Particular	2019-20	2018-19	Change
Other current financial liability	8.37	16.41	(8.04)
Guarantee liability	4.82	-	4.82
Lease liabilities (current and non-current liabilities)	214.16	-	214.16
Other non-current financial liabilities (excluding current maturities of long-term debt)	346.86	338.10	8.76
Total	**574.21**	**354.51**	**219.70**

Increase in other financial liabilities is based on the adoption of Ind AS 116 'Leases', which has resulted in the recognition of lease liabilities in books.

6.21 OTHER NON-FINANCIAL LIABILITIES

(in ₹ Crores)

Particular	FY2020	FY2019	Change %
Provisions	32.01	28.78	3.23
Other current liability	57.56	82.83	(25.17)
Total	**89.57**	**111.51**	**21.94**

The decrease in other current liability is mainly due to reduction in statutory liability in FY2020.

6.22 CAPITAL EMPLOYED

Total capital employed has increased by 8.5 % from ₹ 3,451.10 Crores as on March 31, 2019 to ₹ 3,745.78 Crores as on March 31, 2020.

Average return on capital employed is 13.7 % vis-à-vis ₹ 11.9 % in FY2019.

6.23 OWN FUNDS

Net worth increased from ₹ 1,293.84 Crores as on March 31, 2019 to ₹ 1,447.22 Crores as on March 31, 2020.

The book value per share was ₹ 14.61 as on March 31, 2020 as against ₹ 13.08 Crores as on March 31, 2019.

Consolidated

The Company has reported consolidated revenue, operating EBIDTA and profit after tax of ₹ 2,927.51 Crores, ₹ 601.81 Crores, and ₹ 154.31 Crores, respectively. The

Company's consolidated financial statement includes the financial performances of the following subsidiaries:

- JSW Cement FZE, Fujairah UAE
- Shiva Cement Limited, Rourkela, Odisha
- Utkarsh Transport Private Limited, Hyderabad, Telangana
- JSW Green Cement Private Limited, Hyderabad, Telangana

7. Market developments

FY2020 has been a tough year for the cement industry in general, with lower than expected demand and unprecedented events such as floods during Q2 and a viral epidemic towards the end of the year, which stalled construction and confined people to their homes.

While cement demand declined in FY2020, our Company registered an overall sales growth of 6% to 7.48 MMT in the year gone by.

Though cement volumes remained flat, our presence in the premium space improved and we have grown our premium product share to 17% from earlier levels of 10%. GGBS continued to grow despite the market stagnancy, attracting more customers by virtue of conversion to GGBS-based concrete mixes.

We have been able to establish ourselves well in Odisha, the newest of our markets, with a price positioning at par with the established players there. We will look to grow this further as we continue to expand our footprint in the East. In West Bengal and Bihar, we continue to be a significant player in the top category cement space, with our products priced at par or above the leading players in the market

In South, while volumes were weak due to insipid demand, we have been able to grow our premium presence to 17% compared to the earlier 12%. With demand in Andhra Pradesh being weak in Q2 and Q3, the overall pricing position in the South did not improve as we expected last year.

GGBS, the other major product in our line-up, continued its growth path, adding more customers and improving its presence across road and infrastructure projects, particularly in the western region, where the sales increase in GGBS was 41% compared to the overall GGBS growth of 12%

8. Distribution development

JSW Cement added a network of 1,312 dealers in the last year and the network currently covers more than 4,100 dealers and 8,000 sub dealers. The Company focused on improving customer or channel touchpoints by increasing the field force, rationalising warehouses, engaging more transporters and deployment GPS tracking of goods. The Company's strengths of transparency in processing dealer discounts, monthly account statement to the dealers and a quicker turnaround on customer concerns continue to help strengthen its relationships with its dealer community. The Company also conducted over 5,000 technical meets for the IHB , masons, engineers and other key influencers in the market.

JSW Cement's commitment to the high-recall social branding projects continued in the last year, with projects such as installation of the RO drinking water plant, construction of kitchen shed and rain-water harvesting projects being taken up successfully under this ambit.

Few Key Social branding projects taken up by JSW Cement in FY2020

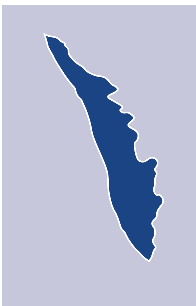
Telangana
RO water plant installation in Vagunuthi village in Medak district

Andhra Pradesh
Kitchen shed construction in government school in Nandyal in Kurnool district

Karnataka
Toilet block construction in government school in Udupi

Tamil Nadu
Rainwater harvesting project in various residential areas in Chennai (39 blocks)

Kerala
Construction of the first floor of the Palliative Care Centre, Thrissur



West Bengal
Construction of household toilets in Purulia

9. Risks and areas of concern

The Company follows the globally recognized 'COSO' framework of Enterprise Risk Management (ERM). The ERM brings together the understanding of the potential upside and downside of all those factors that can affect the organisation with an objective to add maximum sustainable value to all the activities of the organisation and to various stakeholders.

The Company recognises that the identified risks that need to be managed and mitigated to:

- Protect its shareholders and other stakeholder's interests
- Achieve its business objective and
- Enable sustainable growth

The Company has constituted a sub-committee of directors to oversee the ERM framework and ensure

- Executing decided strategies with focus on action
- Monitoring risks arising out of unintended consequences of decisions or actions related to performance, operations, compliance, incidents, processes, systems and ensuring the same are managed appropriately

The key risks and the response strategies considered by the Company are as follows:

- **Competitive dynamics and industrial cyclicality:** The risk is managed through widening and deepening customer reach and focusing on consistent quality
- **Raw material availability and cost:** The risk is managed by broad-basing vendors from different geographies, exploring various contract options such as long-term/spot, relationship management with vendors, etc.
- **Logistics and infrastructure:** The risk is managed by creating a centralised logistics cell to ensure end-to-end integration and optimisation of infrastructure spend
- **Technology and operational disruptions:** The risk is managed by effective management of automation systems, spares management, maintenance scheduling, insurance cover for plant interruptions and loss of profit
- **Environment, health and safety:** The risk is managed by compliance with norms through right selection of equipment, processes, inputs and tracking emissions, tracking changing technology and future norms for advance planning, safety training, medical facilities and health insurance policy for employees and their families
- **Manpower availability with desired skillsets:** The risk is managed by manpower planning in line with growth strategy and on-the-job/online trainings to develop competencies and soft skills. The risk of labor turnover is mitigated by proper recruitment policy and appraisal system
- **Reputation:** The risk is managed by value-driven leadership adhering to the highest standards of governance and code of conduct, extending even to business partners
- **Finance:** The financial risks are managed by proactive tracking of funding and covenants, regular review of hedging strategy, cost optimisation, inventory, receivables and vendor credit management
- **Confidentiality, integrity and security of data and systems:** The risk is managed by implementing security policies and procedures, antivirus/endpoint security deployment, operationalisation of disaster recovery site, implementation of disaster recovery plan and regular training on IT security.

10. Green initiative

The cement sector is the third-largest industrial energy consumer in the world, responsible for 7% of industrial energy use, and the second industrial CO_2 emitter, with about 7% of global CO_2 emissions. Cement is the key ingredient of concrete, which is used to build homes, schools, hospitals and infrastructure, all of which are important for quality of life and social and economic well-being. As the global population rises and more people move into cities, global cement production is set to grow, and despite increasing efficiencies, direct carbon emissions from the cement industry are expected to increase by 4% globally by 2050.

A combination of technology and policy solutions could provide a pathway to reduce direct CO_2 emissions from the cement industry by 24% below the current levels by 2050, according to a new report by the International Energy Agency (IEA) and World Business Council for Sustainable Development (WBCSD).

Pursuant to JSW Cement's belief in green, the Company continues to strengthen its green initiative, the seeds of which we planted during the Company's incorporation. In recent years, through the Company's continuous efforts, the green initiative has begun to bear the fruits of success. The use of low-carbon GGBS enables our range of blended cement products to be low carbon when compared to the conventional OPC. Ordinary Portland cement (OPC) generates about 850 Kgs of CO_2 for each tonne of cement, while PSC reduces the production and release of damaging pollutants and GHG, particularly CO_2. Hence, PSC is considered a green or eco-friendly cement. The manufacturing of green cement effectively helps not only in pollution management but also in natural resource conservation. As a common practice, blast furnace slag is incorporated in blended cement production for environmental, technical and economic benefits. It also helps in reducing the carbon footprint of the Group.

11. Forward-looking and cautionary statements

The Directors' Report and the Management Discussion and Analysis describe the Company's objectives, expectations or predictions, which involve a number of risks and uncertainties. Actual results may differ materially from those expressed in the statement. Important risks and uncertainties that could influence the Company's operations include domestic demand and supply, conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country, and other factors that are material to the business operations of the Company.

Dear Shareholders,

On behalf of the Board of Directors, it gives a great pleasure to present the 14th Annual Report and Audited Financial Statements of **JSW CEMENT LIMITED** ("the Company") for the financial year ended March 31st, 2020.

1. Financial Performance

The key highlights of financial performance for the Company as reflected by its Audited Financial Statements for the Financial Year ended 31st March, 2020 is summarized below:

(₹ in Crores)

Particulars	Standalone		Consolidated	
	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
Revenue from operations	2761.20	2,647.33	2927.51	2,722.23
Other Income	54.78	65.60	40.36	49.56
Total Income	**2,815.98**	**2,712.93**	**2967.87**	**2,771.79**
Expense				
Cost of material consumed	610.35	612.58	696.66	671.86
Purchase of stock in trade	8.11	6.15	-	2.13
Changes in inventories of finished, goods, semi-finished goods & stock in trade	(34.21)	7.07	(54.84)	0.22
Employee benefit expense	170.09	143.89	175.24	148.43
Finance cost	265.42	235.72	267.73	237.05
Depreciation & Amortization expense	134.92	107.30	144.66	116.13
Excise Duty Expense		-		-
Power and fuel	388.01	434.41	404.74	446.39
Freight and handling expenses	636.35	633.23	668.71	642.75
Other Expenses	393.42	368.96	437.70	379.81
Captive consumption	(2.51)	(9.90)	(2.51)	(9.90)
Total Expense	**2,569.95**	**2,529.41**	**2,738.09**	**2,634.87**
Profit before exceptional item & tax	**246.03**	**173.52**	**229.78**	**136.92**
Exceptional items		-		-
Profit before tax	246.03	173.52	229.78	136.92
Tax expense	84.28	55.06	75.47	46.61
Profit for the period	**161.75**	**118.46**	**154.31**	**90.31**
Share of Profit from associate	-	-	-	-
Total Profit for the year	**161.75**	**118.46**	**154.31**	**90.31**

2. Highlights of Performance

The total production of Portland Slag Cement ("PSC"), Ordinary Portland Cement ("OPC") Concreel HD, Composite Cement (CC), Portland Pozzolana Cement ("PPC") and Ground Granulated Blast Furnace Slag ("GGBS") during the year under review was 7.56 MTPA (PSC 3.07 MTPA, OPC 0.95 MTPA, Concreel HD 0.31 MTPA, CC 0.15 MTPA, PPC 0.20 MTPA and GGBS 2.88 MTPA) as compared to production of 7.19 MTPA (PSC 3.60 MTPA, OPC 0.66 MTPA, Concreel HD 0.28 MTPA, CC 0.02 MTPA, PPC 0.05 MTPA and GGBS 2.58 MTPA) in the previous year, recording increase of 5.15% over previous year. The total sales of PSC, OPC, PPC, CC and GGBS during the year under review was 7.48 MTPA (PSC 3.02 MTPA, OPC 0.94 MTPA, Concreel HD 0.31 MTPA, CC 0.14 MTPA, PPC 0.20 MTPA, GGBS 2.87 MTPA) as compared to sales of 7.13 MTPA (PSC 3.56 MTPA, OPC 0.66 MTPA, Concreel HD 0.28 MTPA, CC 0.01 MTPA, PPC 0.05 MTPA, CC 0.01 MTPA and GGBS 2.57 MTPA) in previous year recording an increase over previous year.

3. Transfer to Reserves

No amount is proposed to be transferred to reserves.

4. Dividend

In view of the Company's expansion plans, the Board of Directors has not recommended any dividend on the Share Capital of the Company.

5. Economic Outlook

The Indian economy witnessed a cyclical slowdown in FY 2019-20, from 6.8% in FY 2018-19 to 4.2% in the year under consideration. Industrial activity remained healthy at the beginning of the year and moderated later. The trade environment remained weak and witnessed increasing protectionism. However, service exports remained resilient at about 8%. Unseasonal rains and scanty rainfall during the monsoons resulted in a temporary spike in food inflation.

To boost the economy, the government eased credit to the stressed real estate sector and Non-banking Financial Companies (NBFCs). The government speeded up the insolvency resolution process of the Insolvency and Bankruptcy Code (IBC) and the fiscal deficit settled at 3.8% as against 3.3% estimated at the time of budget presentation for 2019-20. The Reserve Bank of India

(RBI) also reduced the repo rate by 135 bps during the year. On the back of continued policy initiatives, India continued to progress in the Ease of Doing Business rankings, climbing up 14 places to reach the 63rd rank.

The outbreak of the COVID-19 pandemic in Q4 of FY 2019-20 and the ensuing nationwide lockdown impacted supply chains, lowered demand and brought businesses to standstill. The rising uncertainty around the pandemic resulted in increased volatility in global financial markets, which significantly impacted the Indian currency. The government's announcement of a relief package worth ₹ 20 Lakh Crores (roughly 10% of the GDP) would help revive the economy, albeit in a gradual manner.

Economic activity is expected to revive in a phased manner due to the lifting of the lockdown in coming months. The fiscal and monetary stimulus provided by the government are likely to stabilise the economy. Sustained low oil prices might also provide the economy with its much-needed recovery. The IMF has forecasted the economy to grow at reach 1.9% in FY 2020-21 and 7.4% in FY 2021-22 as the impact of COVID-19 outbreak is contained.

6. Cement Industry Outlook and Opportunities

The Indian cement industry is the second largest in the world in terms of production, accounting for ~8% of the global production installed capacity. India has an estimated cumulative production capacity of ~550 MTPA in 2020.

India has 210 large cement plants and 350 smaller ones. Of the large plants, 77 are located in the states of Andhra Pradesh, Rajasthan and Tamil Nadu. Capacity addition of 20 MTPA is expected from FY 2018-19 to FY 2020-21. (Source: IBEF) Sales of cement in India stood at ₹ 58,407 Crores (US$ 8.29 billion) in 9MFY20. India's export of cement, clinker and asbestos reached US$ 1.66 billion in FY 2019-20.

The demand of cement is expected to be 550-600 MTPA by 2025 due to the expanding demand of different divisions such as housing, commercial construction and industrial construction.

India Ratings and Research (Ind-Ra) expects successive declines in cement demand in FY 2020-21, following the FY 2019-20 trend, with growth plunging to a historical low of negative 4-5% y-o-y given the nationwide lockdown due to the COVID-19 pandemic. The impact of labour force and supply chain disruptions are expected to linger even after the lockdown is lifted. Muted demand has led to a decline in capacity utilisations, which is likely to affect the ability of cement manufacturers to sustain prices at the current levels. The agency expects these factors to reduce EBITDA by ~20% compared.

While demand is likely to decline by 40-50% y-o-y in Q1 FY 2020-21, Q2 could witness a low single-digit growth. A gradual pick-up in infrastructure spending and the release of the pent-up demand might bring about a significant recovery to the cement industry in Q3 of FY 2020-21. With the lockdown impacting income and purchasing power of agricultural and daily wage earners, the individual home builder driven rural housing segment will witness a slowdown in FY 2020-21.

7. Capital Expenditure and New Projects

The Company at present has its plants in Maharashtra, Karnataka, Andhra Pradesh, West Bengal and Odisha. As a part of its growth strategy, the Company is continuously evaluating organic and inorganic opportunities with an aim to have strong foothold across the country. The major projects initiated by the Company to serve its customers in a more cost effective, reliable and environment friendly manner are given as under:

7.1 NANDYAL, ANDHRA PRADESH

a. To streamline dispatches via Rail, 1.2 km of railway line and platform at Panyam siding has been completed and a Detailed Project Report(DPR) has been put for approval for modification to utilize the siding for clinker loading and slag unloading to Railway Authorities to connect it to the main line.

b. A covered Coal Yard has been completed in compliance with APCB (Andhra Pradesh Pollution Control Board and extension of coal yard will be completed in 2020-21.

c. Liquid Alternative Fuel feeding System for calciner firing is running successfully & that has saved ₹ 166.1 Lakhs in the financial year of 2019-20. Such saving will continue every year.

d. Solid Alternative Fuel feeding system is running which saved ₹ 558.40 Lakhs in the financial year 2019-20. This will be recurring saving every year. A study is under progress for increasing the usage of Alternative Fuels along with plastic waste from nearby municipalities.

e. Carbon black firing feeding system in coal mill is running which saved ₹ 51.30 Lakhs in the financial year of 2019-20. This will be recurring saving every year.

f. The Company plans to increase Clinker production capacity from 6000 TPD to 8500 TPD including the installation Waste Heat Recovery System (WHRS). The feasibility study to increase clinker capacity is in progress.

7.2 VIJAYANAGAR, KARNATAKA

› Present plant Consent capacity is 4.0 MTPA, consisting of 4 RP's and one VRM.

- Engineering study is under progress for de-bottlenecking project increasing the capacity from 3.2 MTPA to 4.0 MTPA.
- New Blender Building for producing Ordinary Portland Cement.
- Connecting of Old packer to Wagon Loading.
- Connection of Stacker to Reclaimer
- Bulk Loading Point-3 to Ordinary Portland Cement.
- Acquisition of Screened Slag plant from JSW Steel and operation is done by JSW Cement Limited.
- New Screened Slag Packing unit under Engineering Study.
- Engineering study is under progress for producing Dry Mix Cement of 0.30 MTPA.
- Green belt developed around the plant by planting 1248 trees, 4233 Shrubs and 1080 square meter Lawn area.

7.3 SALBONI, WEST BENGAL

- The Company has also installed its own railway siding to receive raw materials viz. imported clinker and slag by rail, and also mechanized wagon loading system, to dispatch its products by Rail.
- The company has commissioned the Composite Cement Project in July 2019 and successfully launched Composite Cement(PCC) into the market.
- Installation of 18 MW CPP by JSW Energy is completed and all trials completed. The unit operation will start after obtaining Grid Synchronization permission and Power Purchase Agreement signing with consumers other than JSW Cement.

7.4 DOLVI, MAHARASHTRA

- The Company had commissioned 1.2 million MT which comprises of one unit of Roller Presses of 180 TPH capacity. This would allow company to strengthen its market in west region. This has increased the production capacity from 1.0 mtpa to 2.2 mtpa.
- The Company also plans to further increase cement capacity in line with the increased availability of slag from JSW Steel Limited. A feasibility report has been prepared, master plan has been formalized and technical discussions with various OEM supplier are under progress.

7.5 SHIVA CEMENT, ROURKELA, ORISSA

- The Company plans to install a new clinkerisation unit of 1 million mtpa to cater to the clinker requirements of Salboni and Jajpur grinding units in order to de-risk against the volatility in the imported clinker prices.
- The Company has taken mining plan approval of 1.5 million MTPA and applied for getting EC for existing mines.
- The Company has taken mining plan approval for 1.6 million MTPA and applied for getting EC for new auction mine.
- M/r Holtec Consulting Private Limited has been appointed as Engineering Consultant for TEFR, System Design, Basic Engineering and Procurement Assistance for setting up 1.5 million MTPA clinker plant.
- The project is expected to start from October, 2020 and shall be completed in 24 months.

7.6 JAJPUR, ORISSA

- A State of the Art Grinding Unit of 1.2 million MTPA capacity has been successfully set up within a total plant area of 15 acres. This unit comprises of 1 nos. unit of Roller Presses of 180 TPH capacity and has been commissioned well within schedule time and is under trial run. This unit is designed for the production of composite cement as well as multiple variants of slag cement and has started contributing to market share of Odisha. The unit has a semi-automatic packer system along with truck and bulker loading facilities.

7.7 FUJAIRAH, UAE

- The kin light-up of 1.0 MTPA Clinkerization Plant was achieved on 26th Feb 2020. Subsequently approximately 60,000 MT of clinker has been produced in FY20. Plant is presently powered by hired DG sets as temporary FEWA power has not been obtained yet.

7.8 NEW MINES / AUCTION STATUS:

a. Gujarat:

- The Company won Mudhvay sub block D in Kutch district in May 2017, through the auction process, thereby securing limestone mines with 125 Million Tonnes Geological resources.
- The Company has subsequently got approval from IBM for the proposed mining plan in Sept'18.
- The Company signed MoU with Government of Gujarat in January 2019 during the Vibrant Gujarat Summit 2019 for setting up of Clinker Plant in Kutch district
- The Company obtained the Consent to Establish (CTE) from Gujarat Pollution Control Board (GPCB) in August 2019.
- The Company has successfully completed the public hearing for limestone mines and applied for grant of Environmental Clearance at Ministry of Environment, Forest and Climate Change (MoEF & CC) New Delhi in January, 2020.

- The Company at present is in process of obtaining statutory clearances for commencement of mining operations by FY21.

b. Rajasthan:

- The Company won 3B2 Limestone block in Nagaur district in Feb 2018, through the auction process, thereby securing limestone mines with 205 Million Tonnes Geological resources.
- The Company has subsequently got approval from IBM for the proposed mining plan in Sept'18 and got terms of reference (ToR) from MoEF & CC, New Delhi for grant of environment clearance (EC) for mining in Dec'18.
- The Company has successfully completed the public hearing for limestone mines and applied for grant of Environmental Clearance at Ministry of Environment, Forest and Climate Change (MoEF & CC) New Delhi in January 2020.
- The Company at present is in process of obtaining statutory clearances for commencement of mining operations by FY23.

c. JSW Cement FZE, Fujairah:

- Total Limestone produced from Fujairah Mines in the FY 19-20 is 3.418 Million tons. Second crushing and screening unit of 6.0 MTPA (C1 Crusher) got commissioned in August 2019 and total Limestone of varying fractions as produced from this crushing system till 31st March, 2020, is approx. 2.862 Million tons.
- 0.556 Million tons have been produced from 4.0 MTPA crushing and screening plant (C2 Crusher) before ceasing operations of the same for technology upgradation. Commencement timelines for C2 crusher shall depend on additional requirement of Limestone from JSW Steel once the expansion at Dolvi unit gets completed.

d. Shiva Cement Limited (SCL), Khatkubahal (North) Limestone Block:

- SCL won Khatkurbahal (North) Limestone block in Nov 2019, through the auction process, thereby securing limestone & dolomite mine with 50 & 75 Million Tonnes Geological resources.
- This is a Non-captive mine (merchant) and the mineral can be used for captive consumption and can also be sold in open market.
- Letter of Intent (LoI) for grant of this block issued on 18.11.2019 with validity for a period of 3 years (18.11.2019 to 17.11.2022).
- SCL at present is in process of obtaining statutory clearance for commencement of mining operations by FY 22.

8 Holding and Subsidiary Company

Adarsh Advisory Services Private Limited is the Holding Company. Presently, there are four subsidiaries of the Company which are as under:

a) JSW Cement FZE is a Wholly Owned Subsidiary Company incorporated at Fujairah, Free Zone, UAE on 24th November, 2016.

b) Shiva Cement Limited is a Subsidiary Company acquired through open offer and having its registered office at YY 5, Civil Township 7/8 Area Rourkela, Odisha.

c) Utkarsh Transport Private Limited is a Wholly Owned Subsidiary Company incorporate on 25th April, 2018 and having Registered office at Babukhan Millenium Centre, 6-3-1099/1100, No. 702, A Block Somajiguda, Hyderabad – 500082.

d) JSW Green Cement Limited is a wholly owned subsidiary company incorporated on 18th April, 2019 and having Registered office at Babukhan Millenium Centre, 6-3-1099/1100, No. 702, A Block Somajiguda, Hyderabad – 500082.

9 Internal Control, Audit and Internal Financial control:

INTERNAL CONTROL

Your Company has an effective internal control and risk mitigation system, which is constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

INTERNAL AUDIT

JSW Group Audit Team perform the Internal Audit function and follows best standard practices. The Internal Audit function covers all the factories, sales offices, warehouses and centrally controlled businesses and functions, as per the annual plan agreed with the Audit Committee. The audit coverage plan is approved by the Audit Committee at the beginning of every year. Every quarter, the Audit Committee is presented with key control issues and actions taken on the issues highlighted in previous report.

INTERNAL FINANCIAL CONTROLS

As per section 134(5)(e) of the Companies Act 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust system and framework of Internal Financial Controls. The Company has in place adequate internal financial controls with reference to the Financial Statements. Such controls have been assessed during the year taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India. Based on the results of such assessment carried out by management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed. Nonetheless, the Company recognizes that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

This framework includes entity level policies, process and operating level standard operating procedures. The entity level policies include anti-fraud policies, whistle blower policy, HR policy, treasury policy. The Company has also prepared Standard Operating Procedures (SOP) for each of its processes like procure to pay, order to cash, hire to retire, treasury, fixed assets, inventory, manufacturing operations etc.

10 Credit Rating:

During the year, despite the improvement in Company's operational performance however, considering the high debt leverage on account of expansion, the credit rating by CARE & India Ratings & Research for the Long term and short term debt was reaffirmed at "A-" and "A1" respectively.

11 Fixed Deposit:

The Company has not accepted any deposits from public in terms of Section 73, 74, 75, 76 of the Companies Act, 2013.

12 Directors and Key Managerial Personnel:

The Company has a balanced mix of Executive, Non-Executive and Independent Directors. As at 31st March, 2020, the Board comprises of 10 Directors of which four are Executive Directors, three are Non-Executive Directors and three are Independent Directors including one Woman Director. All the Directors are persons of eminence and bring a wide range of expertise and experience to the Board, thereby ensuring the best interest of stakeholders and the Company.

None of the Directors are related to any other Director on the Board in terms of the definition of "relative" as defined in section 2(77) of the Companies Act, 2013.

During the year under review, Mr. K. Swaminathan (DIN-01447632) has been appointed as Whole-Time Director and designated as Director- Sales and Marketing with effect from 8th August, 2019.

According to provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Kantilal Narandas Patel (DIN-00019414) and Mr. Biswadip Gupta (DIN- 00048258) is liable to retire by rotation and being eligible, have offered himself for re-appointment. The Board has recommended their re-appointment as Director.

The Board met four times during the year under review on 3rd May 2019, 3rd August, 2019, 24th October, 2019 and 22nd January, 2020.

13 Share Capital:

During the year under review, the Capital Clause of the Company was ₹ 1500,00,00,000 (Rupees One Thousand Five Hundred Crores) divided into 125,00,00,000 (One Hundred Twenty-Five Crores) Equity Shares of ₹ 10 (Rupees Ten) each and 2,50,00,000 (Two Crores Fifty Lakhs) Preference Shares of ₹ 100 each.

The issued, subscribed and paid up share capital of the Company as on March 31st, 2020 was ₹. 9,86,35,22,300/- (Ninety hundred Eight Six Crores Thirty-Five Lakhs Twenty-Two Thousand Three Hundred only), comprising of 98,63,52,230, (Ninety-Eight Crores Sixty-Three Lakhs Fifty-Two Thousand Two Hundred Thirty) Equity shares of ₹ 10/- (Rupees Ten) each.

14 Disclosure under section 149(7) of the Companies Act, 2013:

Mr. Jugal Kishore Tandon, Mr. Nirmal Kumar Jain and Ms. Sutapa Banerjee, the Independent Directors of the Company have given their declarations under section 149(7) of the Companies Act, 2013.

15 Disclosure under section 43(a)(ii) of the Companies Act, 2013:

The Company has not issued any shares with differential rights and hence, no information pursuant to section 43(a)(ii) of the Companies Act, 2013 read with rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.

16 Disclosure under section 54(1)(d) of the Companies Act, 2013:

The Company has not issued sweat equity shares during the year under review and hence, no information as pursuant to section 54(1)(d) of the Companies Act, 2013 read with rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.

17 Disclosure under Employee Stock Option Plan and Scheme:

The shareholders of the Company in their meeting held on March 30th, 2016 formulated the JSW Cement

Employee Stock Ownership Plan- 2016 ('ESOP Plan') to be implemented through the JSW Cement Employees ESOP Trust ('Trust') with an objective of enabling the company to attract and retain talented human resources by offering them the opportunity to acquire equity interest in the company which will reflect their efforts in building the growth and profitability of the Company.

The JSW Cement Employee Stock Ownership Plan- 2016 ('ESOP Plan') was amended by the shareholders in their Extra-Ordinary General Meeting held on May 21st, 2016 and further amended in Extra-Ordinary General Meeting held on May 30th, 2017.

During the year under review, the meeting of ESOP Committee was not held. The meeting of ESOP Committee was held on 21st May, 2020 where it was proposed to amend the policy in order to make it more attractive for the employees of Company. The amendment of the ESOP Policy is subject to approval of shareholders in the general meeting. The ESOP Committee in its meeting held on 21st May, 2020 proposed to grant 45,74,887 options (provisional) subject to change in ESOP Policy which requires shareholders' approval in general meeting.

18 Disclosure under section 67(3) of the Companies Act, 2013

The Company has not passed any special resolution pursuant to Section 67(3) of the Companies Act, 2013 and hence no disclosure is required to be made.

19 Performance Evaluation of Board and Individual Director

Board Evaluation is a good governance practice. It comprises of both assessment and review. This include analysis of how the Board and its committees are functioning, the time spent by the Board considering the matters and whether the terms of reference of the Board & committees have been met,

Independent Directors play an important role in the governance processes of the Board. The evaluation of Individual Director focus on the contribution of Director in Board and Committee. The performance of Individual Director is assessed against a range of criteria including the ability of director in creating shareholder value, development of strategies, major risk affecting the company and listen and respect the idea of fellow director and member of the management.

Pursuant to the provisions of the Companies Act, 2013, the Independent Director(s) on the Board of the Company shall evaluate the performance of Non-Independent Director(s) and review the performance of the Chairperson. Nomination and Remuneration Committee constituted under section 178 of the Companies Act, 2013 has been made responsible for review of self-evaluation of Directors and to carry out evaluation of every Director's performance.

The Board believes, the evaluation process should be used constructively as a mechanism to improve Board effectiveness, maximise strengths and tackle weaknesses.

20 Policy

The Company has adopted various policies which has been available on website (jsw cement.in/aboutjsw-cement/organization) of the Company. The brief detail of few policies are as under:

20.1 WHISTLE BLOWER POLICY AND VIGIL MECHANISM:

Pursuant to the provisions of the Companies Act, 2013, the Company has adopted Whistle Blower Policy and Vigil Mechanism ("the Policy").

This Policy aims to provide an avenue for employees to raise their concerns that could have grave impact on the operations, performance, value and the reputation of the Company and it also empowers the Audit Committee of the Board of Directors to investigate the concerns raised by the employees. The policy provides adequate safeguards against victimization or unfair treatment of employees who avail the vigil mechanism.

20.2 CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

As a responsible and proactive corporate, the Company has adopted a CSR Policy in compliance of Section 135 of the Companies Act, 2013. The company aims to follow a complete life cycle approach, focusing, inter alia, on women empowerment through education, sanitation and a range of such access related issues that hinder a holistic development of the communities. Specific interventions recommended by the policy are efficient maternal and child health care with enhanced access to improved nutrition services; early childhood/ pre-primary education and its effective completion till secondary education; better access to life skill education for adolescents; and enhancing of the output of prevalent occupations along with vocation education.

The Company decided its priority towards villages in the immediate vicinity of the plant locations defined as Direct Influence Zone (DIZ). However, certain programs might have been expanded beyond this geographical preview for upscaling and defined as Indirect Influence

Zone (IIZ). Details of the CSR initiatives under taken by the Company pursuant to provisions of the Companies Act, 2013 are given in "Annexure-A" to this report.

20.3 COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION:

The Board of Directors has framed a policy named as Nomination Policy and Remuneration Policy which lays down a framework in relation to criteria for selection and appointment of Board Members, Key Managerial Personnel and Senior Management of the Company as well as remuneration to be paid to Directors, Key Managerial Personnel and Senior Management of the Company.

While recommending the Candidate for appointment, the Nomination and Remuneration Committee shall assess the candidate against a range of criteria, i.e. qualification, age, experience, positive attributes, independence, relationships, diversity of gender, background, professional skills and personal qualities, required to operate the position successfully and has discretion to decide adequacy of such criteria for the concern position. All candidates shall be assessed on the basis of the merit, related skills and competencies. There shall be no discrimination on the basis of religion, caste, creed or sex. Further the committee also recommend to the Board remuneration to be paid to such candidates with following broad objective:

a) Remuneration is reasonable and sufficient to attract, retain and motivate directors,

b) Motivate KMP and other employees and to stimulate excellence in their performance,

c) Remuneration is linked to Company's performance, individual performance and such other factors considered relevant from time to time,

d) The policy balances fixed and variable pay and reflects short and long term performance objectives.

20.4 RISK MANAGEMENT AND AREAS OF CONCERN:

The Company is faced with risks of different types, all of which need different approaches for mitigation. Details of various risks faced by the Company are provided in MDAR section of this Annual Report. Based on the Risk Management Policy, a standardized Risk Management Process and System has been implemented across the JSW group. Risk plans have been framed for all identified risks with mitigation action, target dates and responsibility. Risk Management Committees closely monitor and review the risk plans. The Committee meets every half-year to review key strategic and tactical risks, identify new risks and assess the status of mitigation measures.

21 Auditors:

21.1 STATUTORY AUDITORS:

M/s HPVS & Associates, Chartered Accountants, Mumbai was appointed as Statutory Auditors for the period of five years with effect from 12th Annual General Meeting to 17th Annual General Meeting.

21.2 COST AUDITORS:

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, The Board of Directors, on the recommendation of the Audit Committee, has re-appointed M/s R. Nanabhoy & Co., Cost Accountants, as Cost Auditor to audit the cost records of the Company for the Financial Year 2019-20. As required under the Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

The Cost Audit Report for the financial year 2018-19, on audit of cost accounting records by the Cost Auditor, was filed on 26th July, 2019.

21.3 SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board has appointed M/s. S. K. Jain & Co., Practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report is annexed as Annexure-B and forms an integral part of this Report.

22 Related Party Transactions:

During the year under review, the Audit Committee has granted omnibus approval for the Related Party Transactions. The Related Party Transactions which exceed omnibus limits were placed before the Audit Committee for review and further approval on quarterly basis and subsequently before the Board for noting. All the Related Party Transactions that were entered during the financial year were on arm's length basis and in the ordinary course of business. Hence, provisions of section 188 of the Companies Act, 2013 are not applicable.

The contracts or arrangements with related parties referred to section 188(1) of the Companies Act, 2013 are required to be disclosed in pursuance of section 134(3)(h), the Companies Act, 2013 in Form AOC-2. Accordingly, Related Party with the whom transactions have been entered during the year under review are given in "**Annexure-C**" to this report.

23 Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has a policy on Prevention of Sexual Harassment at workplace. The policy has been framed as per "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" and an internal Committee has been constituted for redressal of the complaints.

24 Particulars of Loans, Guarantees, Investments and Securities:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in Notes to the Financial Statements.

25 Material Change and Commitments:

In terms of section 134(3)(l) of the Companies Act, 2013, except as disclosed elsewhere in this report, no material changes and commitments which could affect the company's financial position have occurred between March 31st, 2019 and the date of the report.

26 Significant and material orders passed by the regulators:

There were no significant material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

27 Extract of Annual Return:

In accordance with the provisions of section 134(3)(a) of the Companies Act, 2013, the extract of the annual return in Form No. MGT-9 is given in "**Annexure-D**" and forms part of this report. The same is available on the website (www.jswcement.in) of the Company.

28 Compliance with Secretarial Standards:

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

29 Awards and Recognition

The Company has received awards and accolades from the Government and Non-Governmental Organizations/ Associations detailed of which are mention hereunder:

a. JSW Cement strives to improve the green cover surrounding its plant facilities by planting saplings and has also contributed to reduced GHG emissions by installing solar lights. Our efforts were recognised at the **Apex India Environment Excellence Award 2019** and our Nandyal unit, Andhra Pradesh received the **Gold Award** for outstanding achievement in environment management.

b. At JSW Cement, the health and safety of our people is of paramount importance and we make every possible effort to ensure the same at our workplace and in our plant facilities. This year, our Nandyal unit, Andhra Pradesh and Vijayanagar Unit in Karnataka received the **Gold Award** in the cement sector for exceptional achievement in occupational health and safety management at the **Apex India Occupational Health & Safety Award 2019**.

c. Our Nandyal plant in Andhra Pradesh has been recognised for its brilliant work in Environment, Health and Safety (EHS) practices in the **CII-SR EHS Excellence Awards 2019**. The plant received a **5-star rating** for ensuring a significant number of safe man-days and educating those employed at the plant about the importance of safe practices.

d. The Greentech Foundation honoured our Nandyal plant and Vijayanagar plant with the **Gold Award** at the **Greentech Environment Award 2019**. The Foundation is a non-profit organisation committed to recognise and celebrate the ethos of outstanding performance in safety issues.

e. The Foundation also awarded our Nandyal unit with the Gold Award in the cement sector at the **Greentech Environment Award 2019**. The plant was recognised for its outstanding achievement in environment management.

30 Human Resource:

The 'Better Everyday' caption of the Company has orchestrated its workforce into a solid group of committed people who have persevered to elevate the company as one of the best among equals in the cement industry .JSW Cement human resources management framework is aligned to the business goals and drives key decisions on business processes and introduction of new technology.

CAPABILITY BUILDING

The business draws a lot of strength from its "people" and it is firmly believed to nurturing talent through various people centric interventions. Several learning initiatives coupled with role movements provided multi-faceted professional exposure to our people during the last year.

With the specific focus, to enable People Managers become "leaders" the Company conducted a series of workshops on Performance Conversations covering more than 120 managers across the organization. These workshops enabled our managers to have meaningful and empowering discussions with their team members to drive Performance Excellence. During the year the Company also focused on building trust amongst the team through structured intervention on Work Place Collaboration and Cohesiveness. The Sales Managers went through workshops to enable them to manage self, team and all stakeholders in a VUCA world.

DIVERSITY AND INCLUSION

Over the last few years, the Company has made long strides in the ongoing Diversity & Inclusion narrative. The endeavor in this direction continued during the last year as we increased the number of female hires through campus hiring and in select techno-commercial roles. In addition, 3 of our female employees made it to the JSW Group led Springboard initiative and are part learning journey in collaboration with IIM, Bangalore.

EMPLOYEE ENGAGEMENT

As a people-centric organization, the Company continues to focus on empowering the employees to write success stories for themselves and the organization. Monthly Review Meetings, Town-halls, one to one Senior Leadership interactions help us to capture thoughts and suggestions of employees. The Annual Sales Meet in the sprawling campus of Inspire Institute of Sports where the entire sales team converged to review, reflect and set the tone for the year. The sales meet saw two days full of engagement and team bonding sessions, sharing of the vision by the leadership followed by interactions, reflections by spiritual guru and awards night.

At Nandyal manufacturing location, 8 teams representing the Manufacturing Locations and Sales Zones, converged to fight for the coveted 'Champions Trophy.'

31 Occupational Health & Safety (OH&S)

The Company's primary objective is to achieve OH&S by providing training to its employees through various training programs. Some of the safety measures are as follows:

- Two days' induction programme for all new workers and employees conducting successfully to in all locations.
- Prepared Job Safety Analysis (JSA) for all routine and non-routine activities and explaining the hazards and implementing the mitigation measures to avoid any unwanted incidents while performing the task at all locations.
- Prepared, approved, displayed and explained the Cardinal and General Safety Rules to all employees.
- Personal Protective Equipment (PPE), Lock Out & Tag Out (LOTO), Permit to Work (PTW), working at height (WAH) and Confined space entry (CSE) task force teams have prepared the procedure and training modules and have also commenced the training programme in all locations except Jajpur plant.
- All senior employees have been trained on Safety Observation procedure (SO). SO tours have been carried out as per schedule in all operating locations. The schedule compliance was 83%.
- To ensure Contractor Safety Management (CSM), all contractors go through the Pre-qualification Assessment before being awarded.
- Rewarding safe working employees to encourage the safety culture in all locations.
- Training the drivers on defensive driving techniques on daily basis through plants Road and Rail subcommittee.
- CSFA (Contractor safety field audit) conducting in all project works.
- All major incidents investigating and preventative actions are implementing to avoid the reoccurrence and reviewed by executive committee on monthly basis. There are no fatal incidents during the financial year.
- LTIFR (Lost time injury frequency rate) was 0.39

32 Directors' Responsibility Statement:

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Directors confirm that:

(a) in the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts for the year under review on a going concern basis; and

(e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

33 Particulars of Employees:

Disclosure pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration) Rules, 2014, are given in "**Annexure-E**" to this report.

34 Conservation of energy, technology absorption and innovation:

The information required pursuant to the provisions of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption, adoption or innovation is attached hereto as "**Annexure-F**" and forms part of this report.

35 Foreign exchange earnings and Outgo:

The details of foreign exchange outgo and earnings are furnished in the notes to accounts.

36 Appreciation:

On behalf of the Directors of the Company, I would like to place on record our deep appreciation to our shareholders, customers, business partners, vendors - both international and domestic, bankers, financial institutions for all the support rendered during the year.

The Directors are thankful to the Government of India, the various ministries of the state governments, the central and state electricity regulatory authorities, communities in the neighborhood of our operations, municipal authorities of Mumbai, and local authorities in areas where we are operational in India; for all the support rendered during the year.

Finally, we appreciate and value the contributions made by all our employees and their families for making the Company what it is.

For and on behalf of the Board
JSW Cement Limited

Nirmal Kumar Jain
Chairman
DIN: 00019442

Date: 23.05.2020
Place: Mumbai

REPORT ON CSR ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Act & Rules made thereunder]

A. A brief outline of the company's CSR policy, including overview of the projects or programmes undertaken.

The brief outline of the CSR policy has been mentioned elsewhere in the report. The Company has spent ₹ 382.33 Lakhs on various CSR initiatives in Bilakalagudur & Bujunur villages, Gadivemula Mandal, Nandyal I (Andhra Pradesh), Jambedia and Asnasuli and other DIZ villages, Salboni (West Bengal) and two Gram Panchayat (Kandeimunda & Khatkurbahal) of Kutra block, Rajgangpur, Sundergarh district, Odisha during the FY 2019-20. The comprehensive summary of the initiatives undertaken by the Company are as under:

1. **Improving Living Conditions:** The Company has incurred ₹ 122.65 Lakhs for initiative undertaken to improve the living conditions of inhabitants around the plant and the brief details of activities undertaken are as under:

    - Health Camps have been organized in all the DIZ villages which includes 393 mobile health camps, services through static clinic and special health camps for diabetic & hypertension, anemia, dental, chest, nephrology. Blood donation camps has also been organized and 145 units of blood have been donated. Steps have been taken to door to door screening to control non communicable diseases. These activities cover 32,339 persons of 46 DIZ villages.
    - Lab technicians and staff nurses have been engaged to strengthen mother & child health care & to provide general health services at Primary Health Centre, Gadivemula Mandal, Nandyal. Total 25369 beneficiaries.
    - Operationalized Labor Room and Operation Theater in Community Health Centre, Danagadi, by provided Boyle's Machine, OT Light, Radiant Warmer, OT Monitor, 2 OT Tables, 3 Labor Tables, and Double Drum Auto Clave. Around 150 patients get benefitted every day
    - Strengthened Primary Health Centre, Barakhai by provided Refrigerator, Operation table, 3 racks and 4 three seater steel chairs for patients waiting
    - 17469 persons were counselled with the help of Bhoruka Charitable Trust, Nandyal through the HIV/AIDS prevention program.
    - Awareness campaigns on personal hygiene, sanitation and prevention of malaria and 21,675 persons of DIZ Villages of Nandyal & Rajgangpur were benefited.
    - Provided ORS water and buttermilk to general public at weekly market through 'Jal Chhatra Camp' and through medical camps in Kutra block and in Salboni. Beneficiary-11,450
    - Provided ambulance services to take the emergency cases to tertiary hospital
    - Maintenance of 2 RO water plants, installed one each at Bilakalagudur and Bujunur villages, have been carried out on regular basis to provide safe drinking water to the population around 8,000.

2. **Promoting Social Development:** The Company has incurred ₹ 212.40 Lakhs for promoting social development and the activities undertaken are as under:

    - To ensure good kitchen hygiene and to ensure food safety in mid-day meal, 3 modular kitchens were provided to Government schools of Gadivemula Mandal and 1150 students were benefited.
    - Renovated 9 class rooms in 3 schools of Gadivemula mandal. Around 810 students got benefitted.
    - Provided student kit (School Bag, 2 pairs of uniform, Notebooks, pen, pencil, eraser Sharpener & a stationary pouch) to 500 students studying at primary schools of Bilakalagudur & Bujunur villages.
    - Provided study material to 475 students studying in Govt. High schools in Gadivemula mandal of Nandyal.
    - Renovated 11 anganwadi centers and provided playing kits, teaching aids and water purifiers to 17 anganwadi centers in Kutra block of Rajgangpur ang in Gadivemula mandal of Nandyal. The total number of persons likely to benefit from the initiative is 550.
    - Constructed two classrooms one in Govt. School of Jakhapura Panchayat and the other in Danagadi as there was no proper infra facility. In these classrooms 110 students can be accommodated.
    - Provided 75 bicycles to girl students to encourage them for pursuing secondary education.
    - Supported E-learning by providing 5 digital class equipment in Kutra block and 3 in Gadivemula

mandal. Also supported by providing the content to 26 government schools of Nandyal & Salboni locations to improve the quality of the education and to build strong conceptual understanding in the students.

- Provided tuition support to 350 students appearing in secondary board examination.
- Provided teaching support by engaging the services of 5 vidya volunteers to teach computers, social studies (Urdu) and Urdu language.
- Provided scholarships to 15 poor and merit students of Gadivemula mandal for pursuing from four high schools & four primary schools for promoting secondary education and to reduce dropout rate in upper primary & primary sections.
- Organized anemia screening & General Health camps at government schools. Provided medicine & created awareness on anemia & its associate factors, prevention & control of anemia and awareness on oral hygiene. Around 2750 students got benefitted.
- Provided sanitary napkins to 843 adolescent girl students studying in government schools of Gadivemula mandal, Nandyal.
- Created awareness for rural women about personal/menstrual hygiene and providing sanitary napkins to 603 women every month.
- Imparted skills in tailoring to rural women of Gadivemula mandal to improve their economic status. 238 women were trained in stitching of garments, making Jute diversified products and Acid & Phenyl making. Also 60 women got trained in Kutra block of Rajgangpur
- Established 2 tailoring units in Kutra block for the benefit of 60 women.
- Provided training and handholding support to 38 SHG women of Salboni, in making sal plates and handicraft "Katha Stitch"
- Provided training and handholding support in mushroom cultivation to 76 SHG women of Kutra block, Rajgangpur
- Provided training on scientific techniques in forming and also provided handholding support which include land preparation, seed treatment, disease treatment through integrated pest management (IPM), market linkage. 300 formers got benefited with this initiative in Salboni.

3. **Addressing Environmental issues:** The Company has incurred ₹ 12.00 Lakhs for addressing social inequalities and the activities undertaken are as under:
   - Planted 8000 saplings in DIZ villages.
   - Installed 32 solar street lights in Kutra block & maintenance of 82 solar street lights in Gadivemula mandal
4. **Rural Development:** The Company has incurred ₹ 23.93 Lakhs for rural development and the activities undertaken are as under:
   - Constructed CC Road in Bilakalagudur village. Around 5000 people are benefitted.
   - Established 2 solar water supply units in 2 villages of Kutra block and also providing RO water to the villagers of Bilakalagudur & Bujunur of Nandyal.
   - Laid domestic water pipe line connection at SC colony of Bilakalagudur village
5. **Swachh Bharath Mission:** The Company has incurred ₹ 1.90 Lakhs for Swachh Bharath Mission and the activities undertaken are as under:
   - Spreading awareness about good sanitary habits and use of toilets by organizing awareness camps, door to door distribution of leaflets, skits performed by local students in nearby villages and schools of Gadivemula mandal.
   - Conducted swacch village program with the participation of employees for cleaning of streets, removing roadside bushes & dirt at Bilakalagudur & Bujunur villages.
   - Initiated waste management in Nandyal location with the association of municipalities & grampanchayats
6. Expenditure on other administrative and capacity building activities: ₹ 9.45 Lakhs.

B. The composition of the CSR Committee:

Presently, the CSR Committee comprises of 5 Directors Mr. K. N. Patel-chairman, Mr. Biswadip Gupta-member, Mr. Jugal Kishore Tandon-member, Ms. Sutapa Banerjee-member & Mr. Nirmal Kumar Jain-member.

C. Average Net Profit of the company for last 3 financial years: ₹ 163.37 Crores

D. Prescribed CSR expenditure (2% of amount): ₹ 3.26 Crores

The Company has voluntarily proposed ₹ 5.00 Crores for CSR Activities. ₹ 1.4 Crores above ₹ 3.26 Crores (2% as prescribed by the Companies Act, 2013).

E. Details of CSR activities/projects undertaken during the year:

a) total amount spent for the financial year: ₹ 3.82 Crores

b) amount un-spent, if any: Nil (as the Company proposed voluntary ₹ 1.4 Crores above ₹ 3.26 Crores)

c) manner in which the amount spent during financial year, is detailed below:

(₹ in Lakhs)

1	2	3	4	5	6	7	8
Sr. No.	**CSR project/ activity identified**	**Sector in which the Project is covered**	**Projects/Programmes** **1. Local area/others-** **2. specify the state / district (Name of the District/s, State/s where project/programme was undertaken**	**Amount outlay (budget) project/ programme wise**	**Amount spent on the project/ programme Sub-heads:** **1. Direct expenditure on project/ programme,** **2. Overheads**	**Cumulative spend up to to the reporting period**	**Amount spent: Direct/ through implementing agency***
1	Improving Living Conditions	Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making availability of safe drinking water.	1. Local area: Village– Bilakalaguduru, Bujunur and Gadvimulla 2. District-Kurnool State: Andhra Pradesh 1. Local Area: Villages- Asnasuli, Dhnyasole, Baskopna, Sitanathpur, Salgaria, Barju, Kashijora, Chandankath and Pathrajuri. 2 District- Paschim Medinipur State: West Bengal 1. Local Area: Village- Telighana, Kandeimunda, Kurunga, Katkurbahal, Kulenbahal, Falsakani and Sobarsa 2. District- Sundharghar State: Odisha 1. Local Area: Village- Jakhapur, Balungabandi, Barakhai and Danagadi 2. District- Jajpur State: Odisha	122.65	Direct Expenses- 372.88 Overheads 9.45	122.65	Direct/ implementing agency
2	Promoting Social Development	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	1. Local area: Village– Bilakalaguduru, Bujunur and Gadvimulla 2. District-Kurnool State: Andhra Pradesh. 1. Local area: Villages- Asnasuli, Dhnyasole, Baskopna, Sitanathpur, Salgaria, Barju, Kashijora, Chandankath and Pathrajuri. 2. District- Paschim Medinipur State: West Bengal 1. Local area: Village- Telighana, Kandeimunda, Kurunga, Katkurbahal, Kulenbahal, Falsakani and Sobarsa 2. District- Sundharghar State: Odisha 1. Local Area: Village- Jakhapur, Balungabandi, Barakhai and Danagadi 2. District- Jajpur State: Odisha	200.40		335.05	Direct/ implementing agency

(₹ in Lakhs)

1	2	3	4	5	6	7	8
Sr. No.	**CSR project/ activity identified**	**Sector in which the Project is covered**	**Projects/Programmes 1. Local area/others- 2. specify the state / district (Name of the District/s, State/s where project/programme was undertaken**	**Amount outlay (budget) project/ programme wise**	**Amount spent on the project/ programme Sub-heads: 1. Direct expenditure on project/ programme, 2. Overheads**	**Cumulative spend up to to the reporting period**	**Amount spent: Direct/ through implementing agency***
3	Addressing Environmental Issues	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	1. Local area: Village– Bilakalaguduru and Bujunur and Gadvimulla 2. District-Kurnool State: Andhra Pradesh 1. Local area Village- Telighana, Kandeimunda, Kurunga, Katkurbahal, Kulenbahal, Falsakani and Sobarsa 2. District- Sundharghar State: Odisha	12.00		347.05	Direct/ implementing agency
4	Rural Development	Rural development projects	1. Local area: Village– Bilakalaguduru, Bujunur and Gadivemula 2. District-Kurnool State: Andhra Pradesh 1. Local area: Village- Telighana, Kandeimunda, Kurunga, Katkurbahal, Kulenbahal, Falsakani and Sobarsa 2. District- Sundharghar State: Odisha	23.93		370.98	Direct/ implementing agency
	Swachcha Bharat Abhiyan	Sanitation	1. Local area: Village– Bilakalaguduru, Bujunur and Gadvimulla 2. District-Kurnool State: Andhra Pradesh 1. Area: Village- Telighana, Kandeimunda, Kurunga, Katkurbahal, Kulenbahal, Falsakani and Sobarsa 2. District- Sundharghar State: Odisha 1. Local Area: Village- Jakhapur, Balungabandi, Barakhai and Danagadi 2. District- Jajpur State: Odisha	1.90		372.88	Direct/ implementing agency
5	Administration & Capacity Building Expenses	Administration & Capacity Building Expenses		9.45		382.33	Direct

*CSR activities have been carried out directly and through several other private Non-Governmental Organization and Charitable institutions.

We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and policy of the Company.

Date: 23.05.2020
Place: Mumbai

Nirmal Kumar Jain
Chairman
(DIN: 00019442)

Kantilal Narandas Patel
Chairman-CSR Committee
(DIN- 00725144)

Secretarial Audit Report

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANICAL YEAR ENDED 31ST MARCH, 2020

To,
The Members,
JSW Cement Limited.
JSW Centre, Bandra Kurla Complex,
Bandra (East),
Mumbai-400051.

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by **JSW CEMENT LIMITED** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Before 1st lockdown was announced with effect from 25th March, 2020 due to Covid-19 Pandemic, I had deputed my Secretarial team to BKC office of the company and also to Vijayanagar, Nandyal, Salboni, Dolvi and Jajpur plants of the company and completed verification of Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company. During lockdown period, I have relied on records and documents provided by the company electronically and also on documents available on MCA website.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period **1st April, 2019 to 31st March, 2020** ("the reporting period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **JSW CEMENT LIMITED** (**"the Company"**) as given in **Annexure I**, for the period **1st April, 2019 to 31st March, 2020** according to the provisions of:

   (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

   (iii) The Depositories Act, 1996 and Regulations & the Bye-laws, 1996 thereunder;

   (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment;

   (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

      a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (**Not Applicable since it is an Unlisted Public Company**)

      b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (**Not Applicable since it is an Unlisted Public Company**)

      c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable since it is an Unlisted Public Company**)

      d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

      e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not Applicable since the Company has not applied for listing of its any class(es) of securities at any Stock Exchanges)**

      f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (**Not Applicable since it is an Unlisted Public Company**)

      g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not Applicable since Company has not issued any debt securities which requires to be listed on any Stock Exchanges**)

      h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not Applicable since it is an Unlisted Public Company**)

      i) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; (**Not Applicable since it is an Unlisted Public Company**).

II. Other laws specifically applicable to the Company are:

   a) The Mines Act, 1952;

   b) The Mines and Minerals (Regulation and Development) Amendment Act, 2015;

   c) The Limestone & Dolomite Mines Labour Welfare Fund Act, 1972;

d) The Explosives Act, 1884;

e) The Batteries (Management and Handling) Rules, 2011;

III. I have relied on the Representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedure on test basis. The list of major head/groups of Acts, Laws and Regulations as generally applicable to the Company is as per **Annexure II**.

IV. In case of Direct and Indirect Tax Laws like Income Tax Act, 1961, The Customs Acts, 1962 and Goods and Services Act, I have relied on the Report given by the Statutory Auditors of the Company.

I have also examined Compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I FURTHER REPORT THAT:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and recorded as part of the Minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year/audit period under report, the Company has undertaken the following events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, Rules, Regulations, Guidelines, Standards, etc.

I further Report that during the Audit Period the Company has the following specific events:

› During the period under review, the Company has appointed Mr. Swaminathan Kuppuswamy (DIN: 01447632) as an Additional Director with effect from 3rd August, 2019 and also appointed him as Whole-Time Director (Sales & Marketing) for a period of three years with effect from 3rd August, 2019, subject to approval of the shareholders at the Annual General Meeting (AGM). At the AGM held on 27th September, 2019, Mr. Swaminathan Kuppuswamy (DIN: 01447632) had been appointed as a regular director and his appointment as Whole-Time Director (Sales & Marketing) for a period of 3 years w.e.f. 3rd August, 2019 to 2nd August, 2022 has also been approved by the shareholders on such terms and conditions as are set out in the relevant Resolution/Agreement.

› The Board of Directors of the Company has appointed Mr. Nilesh Narvekar as the Occupier of new Plant located at Jajpur Odisha with effect from 30th January, 2018.

› The Board of Directors of the Company has re-appointed Shri Jugal Kishore Tandon (DIN: 01282681) as an Independent Director for a second tenure of one year w.e.f. 31th. 03.2020 to 30.03.2021 through Resolution by Circulation (RBC) passed on 30.03.2020

› The Company had appointed Shri Jaiprakash Narain Lal (DIN: 06397527) as an Independent Director for a period of 5 years w.e.f. 31.03.2015. The term of Shri Jaiprakash Narain Lal (DIN: 06397527) as an Independent Director has expired on 30.03.2020. Hence, he has ceased to be Independent Director of the Company w.e.f 31.03.2020.

› The Board of Directors of the Company has re-designated/appointed Shri Nirmal Kumar Jain (DIN: 00019442) as an Independent Director from his existing designation of Non-executive Director for a period of three year w.e.f. 31.03.2020 to 30.03.2023 through Resolution by Circulation (RBC) passed on 30.03.2020. Mr. Nirmal Kumar Jain (DIN: 00019442) is also a Chairman of the Company.

For S. K. Jain & Co.

Place: Mumbai
Date: 23/05/2020
UDIN- F001473B000274671

CS. Dr. S. K. JAIN
Practicing Company Secretaries
(FCS – 1473 /COP – 3076)

ANNEXURE - I

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the Financial Year ended 31st March, 2019.
3. Minutes of the Meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Executive Committee, ESOP Committee, Finance Committee, Risk Committee, Project Review Committee along with Attendance register held during the Financial Year under report.

4. Minutes of General Body Meetings held during the Financial Year under report.
5. All Statutory Registers.
6. Agenda papers submitted to all the Directors /Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013and attachments thereto during the Financial Year under Report.

ANNEXURE – II

List of applicable laws to the Company

i. The Factories Act, 1948;

ii. The Industrials Disputes Act, 1947;

iii. The Payment of Bonus Act, 1965;

iv. The Payment of Gratuity Act, 1972;

v. The Minimum Wages Act, 1948;

vi. The Payment of Wages Act, 1936;

vii. The Sexual Harassment Act, 2013;

viii. The Maternity Benefits Act, 1961;

ix. The Industrial Employment (Standing Orders) Act, 1946;

x. The Employees Provident Fund and Miscellaneous Provisionsuct, 1970;

xi. The Workmen's Compensation Act, 1923;

xii. The Equal Remuneration Act, 1976;

xiii. The Air (Prevention and Control of Pollution) Act, 1981;

xiv. The Water (Prevention and Control of Pollution) Act, 1974;

xv. The Water (Cess Act), 1977;

xvi. The Environment (Protection) Act, 1986;

xvii. The Standard of Weights and Measure Enforcement Act, 1985;

xviii. The Bureau of Indian Standard Act, 1986;

xix. The Karnataka Welfare Fund Act, 1965;

xx. Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975;

xxi. The West Bengal Tax on Professions, Trades, Callings and Employment Act, 1979;

xxii. Karnataka Tax and Profession, Trade, Callings and Employment Act, 1976;

xxiii. Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987;

xxiv. The Hazardous Waste (Management and Handling) Rules, 1989;

xxv. The Manufacture, Storage and Import of Hazardous Chemicals Rules; 1989;

xxvi. The Gas Cylinder Rules, 1981;

xxvii. The West Bengal Factories Rules, 1958;

xxviii. The Maharashtra Factories Rules, 1963;

xxix. The Andhra Pradesh Factories Rules,1950;

xxx. The Karnataka Factories (Amendment) Rules, 2016;

ANNEXURE – III

Registered & Corporate Office

JSW Centre, Bandra Kurla Complex,
Bandra (East),
Mumbai: 400051.

Mills:

Vijayanagar Works:
P.O. Vidyanagar, Torangallu Village,
SandurTaluk, Bellary District,
Karnataka- 583275.

Nandyal Works:
Village Bilakalaguduru,
GadivemulaMandal,
Nandyal, Dist. Kurnool,
Andhra Pradesh-518501.

Dolvi Works:
Unit 1,
Survey No. 96/1, 96/2, 97/0,
Village KharKaravi, Dolvi,
Taluka-Pen,
District-Raigad,
Maharashtra- 402107.

Unit 2,
Survey No. 107/B, 109, 114-118,
Village KharKaravi, Dolvi,
Taluka-Pen, District- Raigad,
Maharashtra- 402107.

Salboni Works
Ankur Complex, Vill- Jambedia,
Po- Sayedpur (ViyaSalboni),
PS- Salboni,
District- Paschim Medinipur,
West Bengal – 421147.

Jajpur,
Odisha - 755019

ANNEXURE-C

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis**- Not Applicable

2. **Details of material contracts or arrangement or transactions at arm's length basis-** For details of transactions during the year refer note 27(i) of the financial statements. The materials transactions are as under:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
JSW Steel Ltd. and its subsidiaries	Purchase of Slag, LD Slag, Coal Fine, Steam Coal, Fly Ash, Flue Dust, TMT/Plate Corex Sludge	5 years Yearly	Quantity purchased based on the requirement of the company throughout the year and as per quality specification mention in the agreement. The prices are exclusive of all taxes, duties and levies.	Approved in Audit Committee meeting and noted on Board Meeting	-
	Lease Agreements and/ or Leave License Agreement	5 to 10 Years depending upon the agreements for different places	Deposits and Rent payable as per the agreements		
	Reimbursement of expenses	Based on transactions	Reimbursement on actual basis		
	Sale of Cement (Clinker, RMC & PSC)	Ongoing on requirement basis	Quantity sold as per monthly/ quarterly requirement based on prevailing market price.		
JSW Energy Limited and its subsidiaries	Power Purchase Agreement for Solar Power and Thermal Power	15 to 25 years depending upon agreements for difference places	Equity participation in power plant as prescribed under law and Tariff rate is cost + margin		
	Sale of Cement	Based on requirements	Quantity purchased based on the requirement on prevailing price		
JSW Group Companies	Sale of Cement /RMC /Purchase of Gas/ Service Assistance/ Reimbursement of expenses	Based on requirements	Quantity purchased based on the requirement on prevailing price		

For and on behalf of the Board
JSW Cement Limited

Nirmal Kumar Jain
Chairman
(DIN: 00019442)

Jugal Kishore Tandon
Chairman – Audit Committee
(DIN-1282681)

Date: 23rd May, 2020
Place: Mumbai

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As at Financial Year ended on 31.03.2020

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014)

I. Registration & Other Details:

1.	CIN	U26957MH2006PLC160839
2.	Registration Date	29/03/2006
3.	Name of the Company	JSW Cement Limited
4.	Category/Sub-category of the Company	Public Limited Company
5.	Address of the Registered office & contact details	JSW Centre,
		Opp. MMRDA Ground, Bandra Kurla Complex,
		Bandra (East), Mumbai 400 051
		Tel.: 022 - 4286 1000
		Fax: 022 - 2650 2001
		Website : www.jswcement.in
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computer Share Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032 Tel.: +91-40-67162222/ 33211000

II. Principal Business Activities of the Company

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Cement	37,43,000	70%
2	Ground Granulated Blast Furnace Slag (GGBS)	37,43,000	25%

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and Address of the Company	CIN/GLN	Holding, Subsidiary and Associate Companies	% of shares held	Applicable Section
1.	Adarsh Advisory Services Pvt. Ltd. JSW Centre, Bandra Kurla Complex, Bandra (East), Opp. MMRDA Ground, Mumbai, Maharashtra	U74140MH2014 PTC251934	Holding Company	90.54	2
2.	Shiva Cement Limited	L269420R1985P LC001557	Subsidiary Company	54.44	2
3.	JSW Cement FZE, Fujairah, UAE	-	Subsidiary Company	100	2
4.	Utkarsh Transport Private Limited	U60221TG2018P TC124102	Subsidiary Company	100	2
5.	JSW Green Cement Private Limited	U26990TG2019P TC136901	Subsidiary Company	100	2

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

A. CATEGORY-WISE SHARE HOLDIN

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Shares	Demat	Physical	Total	% of Shares	
A. Promoter's	-	-	-	-	-	-	-	-	-
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Shares	Demat	Physical	Total	% of Shares	
d) Bodies Corp.	986,351,730	500	986,352,230	100	986,351,730	500	986,352,230	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	986,351,730	500	986,352,230	100	986,351,730	500	986,352,230	100	-
B.Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies-D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	986,351,730	500	986,352,230	100	986,351,730	500	986,352,230	100	-

B) SHAREHOLDING OF PROMOTER-

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Adarsh Advisory Services Pvt. Ltd.	893,067,550	90.54	-	893,067,550	90.54	-	-
2	JSW Investments Pvt. Ltd.	4,15,89,726	4.22	-	4,15,89,726	4.22	-	-
3	Danta Enterprises Pvt. Ltd	26,000,000	2.09	-	26,000,000	2.09	-	-
4	Glebe Trading Pvt. Ltd.	20,642,340	2.64	-	20,642,340	2.64	-	-
5	JSL Limited	5,052,114	0.51	-	5,052,114	0.51	-	-
6	Mr. Seshagiri Rao*	100	0.00	-	100	0.00	-	--
7	Mr. K N Patel*	100	0.00	-	100	0.00	-	-
8	Mr. P K Kedia*	100	0.00	-	100	0.00	-	-
9	Mr. Jayant Acharya*	100	0.00	-	100	0.00	-	-
10	Mr. Balwant Ranka*	100	0.00	-	100	0.00	-	-
	Total	986,352,230	100	-	986,352,230	100	-	-

* Nominee Shareholders of JSW Investment Private Limited

C) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

Sr. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date wise Increase/Decrease in shareholding during the year			
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	Date	Transfer	Allotment	No of shares at the end of year
1	Adarsh Advisory Services Pvt. Ltd.	893,067,550	90.54	-	-	No Change			
2	JSW Investments Pvt. Ltd.*	4,15,90,226	4.22	934657776	94.76	No Change			
3	Danta Enterprises Pvt. Ltd	26,000,000	2.09	960657776	96.85	No Change			
4	Glebe Trading Pvt. Ltd.	20,642,340	2.64	981300116	99.49	No Change			
5	JSL Limited	5,052,114	0.51	986352230	100	No Change			

*including Nominee Shareholding

D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS: (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs AND ADRs):

Sr. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	

E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Mr. K. N. Patel (no change)	100	0.00	100	0.00

V. Indebtedness -Indebtedness of the Company Including Interest Outstanding/Accrued but not due for Payment.

(₹ in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,665.95	87.21		2,753.15
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	0.16	-		0.16
Total (i+ii+iii)	2,666.11	87.21		2,753.32
Change in Indebtedness during the financial year				
* Addition	230.66	156.08		386.74
* Reduction	(259.40)	-		(259.40)
Net Change	(28.74)	156.08		127.34
Indebtedness at the end of the financial year				
i) Principal Amount	2,637.37	243.29		2,880.66
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	20.72	-		20.72
Total (i+ii+iii)	2,658.09	243.29		2,901.38

VI. Remuneration of Directors and Key Managerial Personnel

A. REMUNERATION TO MANAGING DIRECTOR (MD), WHOLE-TIME DIRECTORS (WTD) AND/OR MANAGER:

(₹ in Crores)

Sr. No,.	Particulars of Remuneration	Name of MD/WTD/ Manager WTD/ Manager				Total Amount
		Mr. Parth Jindal (MD)	Nilesh Narwekar (WTD & CEO)	Narinder Singh Kahlon (WTD & CFO)	Kuppuswamy Swaminathan (WTD)	
1	**Gross salary (₹)**	2,63,14,169	2,59,81,812	1,68,79,425	2,21,77,488	9,13,52,894
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					0
2	Stock Option					0
3	Sweat Equity					0
4	Commission - as % of profit	1,73,40,459				1,73,40,459
	- others, specify...					0
						0
						17,25,168
5	**Others, please specify**		6,82,725	4,32,083	6,10,360	0
						0
	Total (A)	**4,36,54,628**	**2,66,64,537**	**1,73,11,508**	**2,27,87,848**	**11,04,18,521**

Overall Ceiling as per the Act – ₹ 24.6 Crores

B. REMUNERATION TO OTHER DIRECTORS

Sr. No	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. J. K. Tandon	Mr. JPN Lal*	Ms. Sutapa Banerjee	Mr. Biswadip Gupta	(in ₹)
1	Independent Directors					
	Fee for attending board committee meetings	11,50,000	9,00,000	8,50,000	-	29,00,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	11,50,000	9,00,000	8,50,000	-	29,00,000
2	Other Non-Executive Directors	**Mr. N. K. Jain**	**Mr. K. N. Patel**	**Mr. Pankaj Kulkarni**		
	Fee for attending board committee meetings	11,00,000	-	9,00,000	-	20,00,000
	Commission	-	-	-	-	-
	Others, please specify	-				
	Total (2)	11,00,000	-	9,00,000	-	20,00,000
	Total (B)=(1+2)					49,00,000
	Total Managerial Remuneration (A+B)		-	-	-	11,53,18,521

Overall Ceiling as per the Act – ₹ 27.06 Crores

*The term of Mr. JPN Lal expired on 31st March, 2020.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS**	CFO*	Total
1	Gross salary (₹)			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	26,56,137	-	26,56,137
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify-One Time Reward	90,027	-	90,027
	Total	**27,46,164**	**-**	**27,46,164**

* Mention in VI(A) as he is Whole Time Director of the Company.

**Company Secretary- Mr. Rahul Dubey resigned w.e.f 12th February, 2020.

XII. Penalties / Punishment/ Compounding of Offences:

there were no penalties / punishment / compounding of offences during the year ended March 31st, 2020.

SECTION 197 OF THE COMPANIES ACT, 2013

a) Employed Throughout the Financial Year and in Receipt of Remuneration Aggregating (₹)1.02 Crores or more per Annum.

Sr. No.	Name	Designation	Remuneration ((₹ Lakhs)) P.A.	Qualification	Total Experience (No. of years)	Age (years)	Date of commencement of employment	Previous employment (Designation)
1	Parth Jindal	Managing Director	436.54	MBA- Harvard Business School	7	30	20th June, 2016	JSW Steel Limited
2	Nilesh Narwekar	Chief Executive Officer	266.64	B.Tech.(Electr. & Commn), MBA	26	49	17th July, 2017	PWC
3	Narinder Kahlon	Senior Vice President	173.11	Chartered Accountant,	27	53	1st June, 2014	JSW Infrastructure Limited
4	Kuppuswamy Swaminathan	Senior Vice President	227.88	M.Com., ICWA, CA, ACCA	35	59	29th Aug,18	Dalmia Bharat Cement Limited
4	G Veera Babu	Senior Vice President	132.13	B.E.	34	58	2nd Aug, 2017	Dangote Cement PLC
5	Hitendra Jariwala	Senior Vice President	124.42	MBA, BSC (Engg)	31	54	22nd March, 2018	Chettinad Cement Ltd

b) Employed for Part of the Financial Year and in Receipt of Remuneration Aggregating ₹ 8.5 Lakhs or more per Month

Sr. No.	Name	Designation	Remuneration ((₹)) P.M.	Qualification	Total Experience (No. of years)	Age (years)	Date of commencement of employment	Previous employment (Designation)
-	-	-	-	-	-	-	-	-

Notes:

a) Remuneration includes salary, bonus, house rent allowance, monetary value of perquisites, if any, leaves travel allowance, medical reimbursement, commission and Company's contribution to Provident fund but does not include leave encashment and Provision for gratuity.

The monetary value of perquisites is calculated in accordance with the Provisions of the Income Tax Act, 1961 and Rules thereunder.

b) All the employees have adequate experience to discharge the responsibility assigned to them.

ENERGY CONSERVATION (FY19-20)

A. VIJAYANAGAR

1. Reduction in specific power consumption in RP GGBS grinding from previous 32.08 Kwh/MT to 30.79 Kwh/MT and saved 139.4 lacs, as on date this is the best power consumption in India.
2. Reduction in specific power consumption in VRM OPC grinding from previous 31.81 Kwh/MT to 30.10 Kwh/MT and saved 32.9 lacs
3. Reduction in specific heat consumption in RP GGBS grinding from previous 78.57 Kcal/Kg to 76.09 Kcal/Kg and saved 60.5 lacs
4. Reduction in specific Oil consumption during RP GGBS grinding from previous 0.15 Lt/MT to 0.058 Lt/Mt and saved 64.7 lacs
5. Savings on purging of Bag filter fans by installation of DP transmitters and pressure transmitters @ 50,000 units per annum.
6. Installation of VFD in place of DOL feeder for coal conveying blower at VRM HAG (1no.) savings by 87,600 units approx. per annum by reducing speed according to operational requirement.
7. Replacement of 20 nos. 400W HPSV lamps with 120W LED high bay fittings to reduce energy consumption @ 19,812 units per annum

B. NANDYAL

1. In GGBS Grinding reduced 0.64 Kwh/t electrical energy resulted in saving of ₹ 36.29 Lakhs over last year in FY-20.
2. Reduction in usage of PPF in kiln which was saved ₹ 18.02 Lakhs.
3. Use of Fly ash generated from CPP in OPC production which saved 3129 tons of clinker for FY 2019-20.
4. Use of limestone in OPC production which saved 6849 tones clinker for FY 2019-20
5. Carbon black feeding system consumed 6540 MT in coal mill and firing in calciner which saved ₹ 51.3 lakhs in the financial year of 2019-20.
6. Coal consumption reduced after utilizing 29966 MT of waste liquid/Solids /Bio mass alternate fuel from pharmaceutical companies and which saved ₹ 780.9 lakhs in the financial year of 2019-20.
7. Installed water spray pump in coal mill which helped in increasing the mill output 1-2 ton/hr.
8. Blending Silo extraction blower stopped (22 KW) which saved ₹ 8.95 lakhs/annum.
9. Replacing of HI mast tower 400 W SV light fittings with 200W LED lights fittings, which saved ₹ 4.57 lakhs/annum.

C. SALBONI:

1. RP GGBS power consumption got reduced from 34.09 Kwh/MT to 33.76 Kwh/MT saving ₹ 23.54 Lakhs.
2. RP OPC power consumption got reduced from 37.33 Kwh/MT to 36.79 Kwh/MT saving ₹ 19.895 Lakhs
3. Fuel Consumption in RP GGBS has reduced from 21.58 kg/MT to 19.35 kg/MT saving ₹ 126.86 Lakhs
4. By installing 4 Nos. 55KW VFD and one 37KW VFD in Packing plant bag filter fan and chiller pump saved 35000 Units in FY 19-20.
5. Solar power generation/consumption increased from 38.96 lakhs unit to 56.5 lakhs unit and mixed power cost reduced from ₹ 8.62/ Unit to ₹ 8.48/Unit by utilizing maximum solar power.
6. By installing APFC relay and continuous monitoring PF improved by 1%. In FY 18-19 Avg. PF was 0.985 but in FY 19-20 Avg. PF was 0.996 and earned ₹ 27 lakhs profit due to getting more rebate.
7. 2 nos. 37KW VFD installed in coal conveying blower to control the flow and reduce the power consumption by 40,000 units.
8. Previously 27 nos. of 5.5 KW AHU (Air handling units) ran in full rpm but now we were taking temperature feedback and control the speed up to 70%. By that modification we saved 83,000 units in FY 19-20.
9. Total 1.81 lakhs units consumption reduced in plant lighting by automation. In FY 18-19 total plant lighting power consumption was 7.1 lakhs unit but in FY 19-20 only 5.29 lakhs units were consumed.

D. DOLVI:

1. Process Optimization of Roller Press (Slag Grinding) resulted in reduction of specific power consumption from 36.84 Kwh/MT (previous) to 33.17 Kwh/MT with savings of 291.15 lakhs
2. Process Optimization of VRM-1 (OPC-Self consumption) resulted in reduction of specific power consumption from 36.93 Kwh/MT (previous) to 34.84 Kwh/MT with savings of 33.56 lakhs

3. Process Optimization of VRM-2 (OPC-Market) resulted in reduction of specific power consumption from 36.65 Kwh/MT (previous) to 32.60 Kwh/MT with savings of 57.44 lakhs
4. Fuel Optimization of Roller Press (Slag Grinding) resulted in reduction of specific Heat consumption from 78.45 KCal/Kg (previous) to 74.68 KCal/Kg with savings of 50.86 lakhs
5. Lighting power consumption reduced due to installation of LED lighting in Packing plant, street lights, office building fixtures. This resulted in saving of 325 Units / day
6. Elimination of LDO consumption from previous 0.27 Liters/MT to zero consumption during the startup of Roller Press Hot Air Generator resulted in savings of 125.31 Lakhs.
7. Load reduction in Oct 2019 from 17 MW to 14MW at 220KV Voltage Level to reduce MSEB Fixed cost. (Reduced Demand Charges by – ₹ 0.22 / Kwh).
8. Percentage Reduction from August 2019 of MSEB Units Consumption from 10.75% to 0.08% of the total consumption - (Reduced Energy Charges by – ₹ 0.82/Kwh).
9. Shifting Open Access application from STOA to MTOA (short term open access application to Mid-term open access application during February 2020). This ensured reduction of Transmission Charges by – ₹ 0.41 / Kwh

E. JAJPUR:

1. Saved 44,820 units i.e. ₹ 3,10,602 by turning off Converter Duty Transformers when not in operation since commissioning of RP2 and RP1 since July 19 and Jan 20 respectively.
2. Reduction of power as follows:
   a. 15.5% savings in power consumption in GGBS grinding from 46.5 units/ton to 39.3 units / ton.
   b. 10.6% savings in power consumption in OPC grinding from 42.2 units/ton to 37.7 units / ton.
   c. 24.4% savings in power consumption in PPC grinding from 45 units/ton to 34units / ton.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2019 – 20

1. Company's Governance Philosophy:

The principles of Corporate Governance are based on transparency, accountability and focus on the sustainable success of the Company over the long-term. Your Company feel proud to belong to a Group whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business. Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. Your Company are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation and also acknowledge individual and collective responsibilities to manage business activities with integrity. Your Company keep governance practices under continuous review and benchmark ourselves to best practices.

The Board of Directors are responsible for and committed to sound principles of Corporate Governance in the Company. The Board of Directors plays a crucial role in overseeing how the Management serves the short and long-term interests of members and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

2. Governance Structure:

The Company's Governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectation of all the stakeholders. In line with these principles, the Company has formed three tiers of Corporate Governance structure, viz.:

2.1 THE BOARD OF DIRECTORS:

The Board of Directors play a fundamental role in upholding and nurturing the principles of good governance which translates into ethical business practices, transparency and accountability. The primary role of the Board is to protect the interest and enhance value for all the stakeholders. It conducts overall strategic supervision and control by setting the goals and targets, policies, governance standards, reporting mechanism and accountability and decision making process to be followed.

2.2 COMMITTEES OF BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated under applicable regulation.

2.3 EXECUTIVE MANAGEMENT

The entire business including the support functions are managed with clearly demarcated responsibilities and authorities at different levels. The Executive Management consist of Working Committee, Executive Committee, Executive Directors, CFO and the Heads of Manufacturing, Marketing, Logistics, Corporate Affairs and HR are its other members. The Working Committee consists of the different functional heads at plant level while the Executive Committee comprises of all functional head including plant head of each location. This committee is a brain storming committee, which meets once in a month, wherein all important business issues are discussed and decisions are taken. These Committee reviews and monitors monthly performances, challenges faced by the business, draws strategies and policies and keep the Board informed about important developments having bearing on the operational and financial performance of the Company. Additionally, the Committee also reviews CSR, Health and Safety, Environment and Sustainability initiatives of the Company.

2.4 THE COMPLIANCE FRAMEWORK

The Company has a robust and effective framework for monitoring compliances with applicable laws within the organization and to provide updates to senior management and the Board on a periodic basis. The Board and Committees periodically discuss the status of compliances with applicable laws and provide valuable guidance to the management team wherever necessary.

2.5 INDEPENDENT DIRECTORS MEETING

A meeting of the Independent Directors of the Company was held without the presence of Non-Independent Directors and management of the Company every year. The Independent Directors discussed and evaluated the performance of the Non-Independent Directors and the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board. During the year under review, the meeting of Independent Director was held on 26th March, 2020.

3. Board of Directors:

The Board operates within the framework of a well-defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interests of the Company. The Board of your Company has a good mix of Executive and Non-Executive Directors with one third of the Board of the Company comprising Independent Directors. As on date of this Report, the Board consists of ten Directors and is comprising of Non-Executive Chairman, three Non-Executive Director, three Executive Directors and three Independent Directors. The composition of the Board represents an optimal mix of professionalism, knowledge, experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company

3.1 APPOINTMENT AND TENURE:

All Non-Executive Directors are subject to retirement by rotation and at every Annual General Meeting 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of section 152 of the Companies Act, 2013 and Articles of Association of the Company. The Executive Director on the Board serves in accordance with the terms of his contract of service with the Company. Independent Directors are appointed for the period of five years pursuant to section 149 Of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and provide declaration on 1st day of every year that they meet the criteria of independence as specified under section 149(6) of Companies Act, 2013.

3.2 SIZE AND COMPOSITION OF THE BOARD:

The size and composition of the Board during the financial year 2019-20 along with the number of other directorship held by the Directors in other Companies are given below:

Category	Name of Director	Position	Attendance at		No. of other Directorships
			Board Meetings	13TH AGM held on 27th September, 2019	Other Directorships in Indian Companies# (inserted after declaration received by Directors)
Executive Director	Mr. Parth Jindal	Managing Director	4	-	9
	Mr. Nilesh Narewekar	Whole Time Director & CEO	3	-	1
	Mr. Narinder Singh Kahlon	Director Finance & CFO	4	Yes	2
	Mr. K. Swaminathan	Director- Sales & Marketing	2		-
Non-Executive Director	Mr. Kantilal N. Patel	Director	4	Yes	21
	Mr. Pankaj Kulkarni	Director	4	-	1
	Mr. Biswadip Gupta	Director	4	-	11
Independent Director	Mr. Nirmal Kumar Jain	Chairman	4	Yes	12
	Mr. Jugal K. Tandon	Director	4	Yes	5
	Mr. Jaiprakash Narain Lal	Director	4	-	-
	Ms. Sutapa Banerjee	Director	4	-	9

Notes:

1. The Board met four times in the year under review i.e. 3rd May, 2019, 3rd August, 2019, 24th October, 2019 and 22nd January, 2020 and the gap between two meetings did not exceed 120 days.
2. Mr. K. Swaminathan has been appointed w.e.f 8th August, 2019.
3. The term of Mr. Jaiprakash Narain Lal expired on 31st March, 2020. Mr. Jugal Kishore Tandon was appointed for a second term of one year w.e.f. 30th March, 2020 and Mr. Nirmal Kumar Jain, Chairman of the Company was appointed as the Independent Director of the Company w.e.f. 30th March, 2020.
4. There are no inter-se relationships between the Board Members.

3.3 BOARD MEETINGS AND PROCEDURES:

A minimum of four Board meetings are held every year. Additional meetings are held as and when necessary. Dates for the Board Meetings for the ensuing quarters are decided well in advance. Agenda papers supported by relevant information, documents and presentations are generally circulated well in advance to the Board Members to enable the Board to take informed decisions. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are considered.

Committees of the Board usually meet before the formal Board meeting, or whenever the need arises, for transacting business. The recommendations of the Committees are placed before the Board for necessary approval and noting.

In case of business exigencies or urgency of matters, the resolutions are passed by circulation and later placed at the subsequent Board/Committee meeting for noting.

The Company Secretary records minutes of proceedings of each Board and Committee meeting. All important decisions taken at the meeting and suggestion of Board and Committee members are circulated to the concerned officials and department for necessary action.

3.4 INVITEES AND PROCEEDINGS:

Safety Officer, Chief Manufacturing Officer and HR Head are invited on regular basis to give their presentation before the Board. Other employees are invited when necessary, to provide additional inputs for the items being discussed by the Board. The Chairman of various Board Committees brief the Board on all the important matters discussed and decided at their respective committee meetings, which are generally held prior to the Board meeting.

3.5 POST MEETING ACTION AND FOLLOW-UP SYSTEM:

Post meetings, all important decisions taken at the meeting are communicated to the concerned officials and departments. Action Taken Report is prepared and reviewed periodically by the CEO & CFO for the action taken / pending to be taken.

4. Committee of the Board:

The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Chairman of the respective Committees informs the Board about the summary of the discussions held in the Committee meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has established the following statutory and non-statutory Committees: -

4.1 AUDIT COMMITTEE:

The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Non-Executive Directors with majority of them are Independent Directors including Chairman and its composition meet the provisions of section 177 of the Companies Act, 2013. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

a) Composition and Meetings:

The Committee comprises of three Independent Directors and Two Non-Executive Directors. The Company Secretary acts as the Secretary of the Committee. Mr. Jugal Kishore Tandon, Chairman of Audit Committee, has attended the Annual General Meeting for answering the shareholders queries. During the year under review, the Committee had met four times on 2nd May, 2019, 2nd August, 2019, 24th October, 2019 and 22nd January, 2020. The attendance of each committee member was as under:

Name of Members	Category	No. of Meetings attended
Mr. J. K. Tandon – Chairman	Independent Director	4
Mr. JPN Lal – Member	Independent Director	4
Mrs. Sutapa Banerjee– Member	Independent Director	4
Mr. N. K. Jain – Member	Non-Executive Director	4
Mr. Pankaj Kulkarni- Member	Non-Executive Director	4

b. Invitees / Participants:

1. The Managing Director, Whole Time Director & CEO, Director Finance & CFO and GM (Finance and Accounts) are the permanent invitees to all Audit Committee meetings.
2. Head of Internal Audit department attends all the Audit Committee meetings to give their presentation and briefs the Committee on all the points covered in the Internal Audit Report as well as the other related issues that comes up during the discussions.
3. During the year under review, the Statutory Auditors have attended the Audit Committee meetings when Annual Financial Results were approved.
4. The representatives of the Cost Auditors have attended the Audit Committee Meeting when the Cost Audit Report was discussed.
5. The Director Finance & CFO, Head of Manufacturing and Head of Logistics attend the Committee meetings to give their presentation and to provide inputs on issues, if any, relating to internal audit findings and raised by Committee members.
6. Other executives are invited to attend the meeting as and when required.

c. Terms of Reference:

- The terms of reference of the Audit Committee as prescribed by Board pursuant to section 177 of the Companies Act, 2013 inter alia includes:
- the recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- to review and monitor the auditor's independence & performance and effectiveness of audit process.
- examination of the financial statements and the auditors' report thereon.
- approval or any subsequent modification of transactions of the Company with related parties.
- scrutiny of inter-corporate loans and investments.
- valuation of undertakings or assets of the Company, wherever necessary.
- evaluation of internal financial controls and risk management systems.
- monitoring the end use of funds raised through public offers and related matters.

The powers of the Audit Committee inter alia include:

- to discuss any related issues with the internal and statutory auditors and the management of the Company.
- to call comments of the auditors about internal control systems, the scope of audit, including their observations and review of financial statement before submission to the Board.
- to investigate into any matter in relation to items specified in roles and responsibilities and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.

4.2 CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

a) Composition and Meetings:

The Corporate Social Responsibility Committee comprises of three Non-Executive Directors and two Independent Directors and its composition meets with the requirement of Section 135 of the Companies Act, 2013. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee had met two times on 2nd May, 2019 and 24th January, 2020. The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. K. N. Patel - Chairman	Non-Executive Director	2
Mr. N. K. Jain – Member	Non-Executive Director	2
Mr. Biswadip Gupta – Member	Non-Executive Director	2
Mr. J. K. Tandon – Member	Independent Director	2
Mrs. Sutapa Banerjee – Member	Independent Director	2

b. Invitees / Participants:

The Managing Director, Whole Time Director & CEO, Director Finance & CFO are the permanent invitees. CSR Employees of respective plant were also invited to give their presentation.

c. Terms of Reference:

The broad terms of reference of CSR Committee are:

- formulate and recommend a Corporate Social Responsibility Policy to the Board in line with the activities which fall within the purview of Schedule VII of the Companies Act, 2013
- the policy shall include the activities to be undertaken by the Company as specified in Schedule VII.
- undertake CSR activities through a registered trust or a registered society or a Company established by the Company or its holding or subsidiary or associate company under section 8 of the Act. Trust, Society or Company which is not established by the Company or its holding or subsidiary or its associate company, shall have an established track record of three years in undertaking similar programs or projects.
- collaborate with another company for undertaking projects or programs or CSR in a manner that respective companies will report separately on such projects or programs.
- recommend the amount of expenditure to be incurred on the activities.
- monitoring and reporting mechanism for utilization of funds on such projects and programs.
- institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- monitoring and reporting mechanism for utilization of funds on such projects and programs.

- institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

4.3 NOMINATION & REMUNERATION COMMITTEE:

a) Composition and Meetings:

The Committee's comprises of three Independent Directors and two Non-Executive Directors and its composition meets the requirements of Section 178 of the Companies Act, 2013 and. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee had met only once on 2nd August, 2019. The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. J. K. Tandon – Chairman	Independent Director	1
Mr. JPN Lal – Member	Independent Director	1
Mr. N. K. Jain – Member	Non-Executive Director	1
Mr. K. N. Patel – Member	Non-Executive Director	1

b. Invitees / Participants:

The Managing Director, Whole Time Director & CEO, Director Finance & CFO are the permanent invitees. HR head are invited to attend the meeting and give their presentation before the committee.

c. Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee which inter alia includes:

- to formulate the policy for determining qualifications, positive attributes, remuneration and independence of a director, Key Managerial Personnel (KMP), senior management and other employees.
- to ensure, while formulating the policy, that:
  - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors & KMP.
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  - remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives of the company.
- to identify persons who are qualified to become directors, KMP and senior management.
- to recommend to the Board their appointment and removal
- to lay down criteria to carry out evaluation of performance.
- to attend the General Meetings of the Company.

4.4 EMPLOYEE STOCK OWNERSHIP PLAN (ESOP) COMMITTEE:

a. Composition and Meetings:

The Committee's comprises of three Independent Director and one Non-Executive Director. The Company Secretary acts as the Secretary of the Committee. The compositions and attendance details of members of the Committee are given below:

Name of Members	Category	No. of Meetings attended
Mr. N. K. Jain - Chairman	Non-Executive Director	-
Mr. K. N. Patel - Member	Non-Executive Director	-
Mr. Pankaj R. Kulkarni- Member	Non-Executive Director	-
Mr. J. K. Tandon- Member	Independent Director	-

b. Invitees / Participants:

The Managing Director, Whole Time Director & CEO, CFO are the permanent invitees.

c. Terms of Reference:

The broad terms of reference of ESOP Committee are:

- determine the employees eligible for participation in the Plan in compliance of the proposed Scheme.
- Determine to an Employee under the Plan.
- determine the number of Options to be Granted, to each employee and in the aggregate, and the time at which such Grant shall be made.
- determine the vesting and/or lock ¬in ¬period of the Grant made to any employee and/or any conditions subject to which such vesting may take place.
- modify the current Grant/Exercise price, if need be and also to fix/modify the Grant/Exercise price in respect of the subsequent grants.
- lay down the conditions under which Options vested in Employees may lapse in case of termination of employment for fraud, misconduct or where an Employee joins competition etc.
- determine the Exercise Period within which the Employees should exercise the Options and that

Options would lapse on failure to exercise the Option within the Exercise Period.

- specify time period within which the Employees Shall Exercise the Vested Options in the event of termination or resignation of an Employee.
- lay down the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of Change in the Capital Structure and/or Corporate Action.
- provide for the right of an Employees to exercise all the Options Vested in him at one time or at various points of time within the Exercise Period.
- decide the number of Shares of Common Stock which may be issued under each Option.
- lay down the method for satisfaction of any tax obligation arising in connection with the Options or such Shares.
- lay down the procedure for cashless exercise of Options, if any.
- provide for the Grant, Vesting and Exercise of Options in case of Employees who are on long leave or whose services have been seconded to any other company or who have joined the Holding company or a Subsidiary or an Associate company at the instance of the Employer Company, and
- generally, exercise such powers as may be necessary or expedient in connection of the implementation or administration of the Plan.

4.5 PROJECT REVIEW COMMITTEE:

a. Composition and Meetings:

The Project Review Committee comprises of three Non-Executive Director and two Independent Directors. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee had met four times on 3rd May, 2019, 3rd August, 2019, 25th October, 2019 and 21st January, 2020. The Company Secretary acts as the Secretary of the Committee. The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. J.K. Tandon - Chairman	Independent Director	4
Mr. N.K. Jain- Member	Non-Executive Director	4
Mr. Biswadip Gupta – Member	Non-Executive Director	4
Mr. Pankaj Kulkarni- Member	Non-Executive Director	4
Mr. JPN Lal- Member	Independent Director	4

b. Invitees / Participants:

The Managing Director, Whole Time Director & CEO, CFO are the permanent invitees. Head of Project and Plants Head along with Chief Manufacturing officer are invited to given presentation on the status of the on-going projects. Other employees are invited whenever required.

c. Terms of Reference:

The broad terms of reference of Project Review Committee are:

a) To review discuss and approve various projects of the Company with a project cost not exceeding ₹ 500 (Five Hundred Crores).

b) To recommend the projects which are having project cost of more than ₹ 500 (Five Hundred Crores) for the approval of the Board.

c) To closely monitor the progress of projects, cost of projects and implementation schedule with the objectives of timely project completion within the budgeted project outlay.

d) To consider deviations, if any, with a comprehensive note detailing the reasons for such deviation and its impact on viability parameters.

e) To ensure the project will be completed on time and within the budget allocated by the Board.

f) To approve necessary deviation in sub-project cost subject to total cost of project should not increase the cost of project approved by the Board.

g) To review new strategic initiatives.

h) To authorize officers or any other persons to initial, sign and execute on behalf of the Company various project contracts viz. appointment of project consultants, supply of plant and machinery, civil works, supervision etc.

i) To authorize officers or any other persons to initial, sign and execute applications, letters, papers and deeds and documents with Central Government Authorities, State Government Authorities and various Statutory Bodies under various acts applicable for setting up projects including incentive applications.

j) To participate in Bidding and tendering process of Coal, Limestone and other Mining Blocks.

k) To authorize any person as authorized signatory to initial, sign, execute all documents, papers, instruments with relation to and during the bidding and tendering process

l) To issue Bank Guarantee, Power of Attorney or any other documents and instruments whatsoever in nature as required by Tender Document issued by Government of India.

m) To authorize any employee not below the AGM level to sign the document under the Common Seal of the Company as authorized signatory along with Directors of the Company in case Company Secretary and CFO of the Company is not available in the city where document is required to be signed.

n) To do all such acts deeds as specified in Tender Documents.

o) To exercise such powers as may be delegated by the Board of Directors from time to time.

4.6 RISK COMMITTEE:

a. Composition and Meetings:

The Risk Committee comprises of three Non-Executive Director and One Independent Directors. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee had met two times on 2nd May, 2019, and 21st January, 2020. The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. N.K. Jain - Chairman	Independent Director	2
Mr. J.K. Tandon - Member	Non-Executive Director	2
Mr. Kantila N. Patel – Member	Non-Executive Director	2
Mr. Pankaj Kulkarni- Member	Non-Executive Director	2

b. Invitees / Participants:

The Managing Director, Whole Time Director & CEO and CFO are the permanent invitees. Head of Group Risk Team are invited to give their presentation before the Committee. Chief Manufacturing Officer are invited to address the queries raised by Risk Team or Committee members. Other employees are invited wherever required.

c. Terms of Reference:

The broad terms of reference of Risk Committee are:

a) To formulate and recommend to the Board Risk Management Policy for approval.

b) To review the Risk Management Policy from time to time and recommend to the Board for review.

c) Implement the Risk Management Policy as approved by the Board.

d) To access the Company's risk profile and Key area of Risk in particular.

e) To recommend to the Board adoption of risk assessment and rating procedures.

f) To periodically review risk assessment and minimization procedure to ensure that Executive Management controls risk through means of defined framework

g) Provide a methodology to identify and analyze the financial impact of loss to the organization, employees, the public, and the environment.

h) To access and recommend to the Board acceptable level of risk.

i) To review and nature and level of Insurance Coverage.

j) Prepare risk management and insurance budgets and allocate claim costs and premiums to departments and divisions.

k) To define risk appetite of the Company and review the risk profile of the Company from time to time to ensure that risk is not higher than the risk appetite approved by the Board.

l) Provide for the establishment and maintenance of records including insurance policies, claim and loss experience.

m) To exercise such powers as may be delegated by the Board of Directors from time to time.

n) To exercise such powers as may be delegated by the Board of Directors from time to time.

4.7 FINANCE COMMITTEE:

a. Composition and Meetings:

The Finance Committee was reconstituted on 24th October, 2018 and comprises of one Executive Director and two Non-Executive Directors. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee met three times on 30th May, 2019, 5th December, 2019 and 20th March, 2020. The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. N. K. Jain - Chairman	Non-Executive Director	3
Mr. Nilesh Narwekar – Member	Executive Director	3
Mr. K. N. Patel - Member	Non-Executive Director	3

b. Invitees / Participants:

The Managing Director, Whole Time Director & CEO and CFO are the permanent invitees. Head of Group Risk Team are invited to give their presentation before the Committee. Chief Manufacturing Officer are invited to address the queries raised by Risk Team or Committee members. Other employees are invited wherever required.

c. Terms of Reference:

The roles and responsibilities approved by the Board, for the functioning of Finance Committee, inter alia include:

a) To avail credit/financial facilities of any description including refinancing (hereinafter called as "Facilities") from Banks/Financial Institutions/ Bodies Corporate (hereinafter referred to as 'Lenders') upon such security as may be required by the 'Lenders' and agreed by the Committee including any alteration of sanction terms, provided, the aggregate amount of such credit/ financial facilities to be availed by the Committee shall not exceed ₹ 5000 Crores.

b) to Borrow and/or avail facilities including any non-fund based facilities (Letter of Credits/ Bank Guarantees, etc) on behalf of / for the benefit of its subsidiaries Companies, domestic as well as overseas, upto an amount of ₹ 300 Crores within the overall limit of amount not exceeding ₹ 5000 Crores as delegated to the Committee as per clause (a) on the terms and conditions as required by banks/ financial institutions and/or such further modification/changes in the terms and conditions and as may be agreed from time to time.

c) To alter/vary terms, conditions, repayment schedules including premature payments of the credit/ financial facilities availed from Lenders, with or without premium on such payments.

d) To hypothecate/pledge/ create charge on movable and immovable properties/ assets of the Company and to initial, sign, execute necessary deeds, documents, agreements, writings etc. to avail the said facilities.

e) To invest and deal with fund of the Company upon such security (not being shares of the Company) or without security in such manner as the Committee may deem fit, and from time to time to vary or realize such investments, provided that all investments shall be made and held in the Company's name and provided further that monies to be invested and dealt with as aforesaid by the Committee shall not exceed ₹ 1000 Crores and decide the authorized persons to take all necessary actions in that regard.

f) to grant loans or give guarantee or provide security in respect of loans given to Individuals/Bodies Corporate including Subsidiaries, Domestic and overseas and/ or to place deposits with other Companies/ Firms upon such security or without security in such manner as the Committee may deem fit and from time to time vary/recover such loans/deposits, provided however, that the aggregate amount of such loans/deposits shall not at any time exceed ₹ 1000 Crores including the limit if any utilized under para € .

g) to allow financial commitment for Overseas Direct Investment in form of Bank Guarantee, performance guarantee, Corporate Guarantee, Letter of Credits, Standby Letter of Credits and any other non-fund based facilities by creation of charge (pledge / mortgage / hypothecation) on the movable / immovable property or other financial assets on behalf or for the benefit of overseas wholly owned subsidiaries for the amount not exceeding ₹ 300 Crores within the overall limit of amount not exceeding ₹ 1000 Crores as delegated to the Committee as per clause (f).

h) To open Current Account(s), Collection Account(s), Operation Account(s), invest/ renew/withdraw fixed deposits/time deposits/margin money deposits or any other deposits as per requirement, or any other Account(s) with Banks whether in Indian Rupees or in Foreign Currencies, whether in India or abroad, and also to close such accounts, which the Committee may consider necessary and expedient and to decide/ appoint/change/remove the authorized signatories and mode of operation of the bank accounts; to authorize persons for internet banking and modifications in the signatories and mode of operation from time to time.

i) To avail guarantees/letter of credits/enter into bill purchase schemes with any of the banks/institutions.

j) To appoint / replace Credit Rating Agencies and to apply, review and accept Credit Ratings.

k) To authorize officers or any other persons to sign and execute Letter of Indemnity (LOI) on behalf of the Company, for all export & import documentation purpose, including for releasing cargo without original Bills of Lading, for clean Bills of Lading, any changes required to be made in Bills of Lading and any changes required to be made in discharge port as against what is declared in Bills of Lading.

l) To allot/transfer/transmission of securities of the Company to promoter(s) and / or non-promoter(s) and / or any individuals, body corporate, any other incorporated or un-incorporated entities whether resident or non-resident.

m) To allot/redeem Non-Convertible Debentures (NCDs), to change/modify/ alter the terms of issued NCDs/to create security/additional securities/modification in security created for allotment of debentures, to delegate power for creation of security viz signing of Debenture Trust Deed, other Documents and relevant papers, to appoint R&T agents, to appoint Depository(s) and to delegate powers for signing agreements in relation to the Depository, to issue debenture certificates or allotment of debentures in demat mode and to do all other acts and deeds incidental thereto allot/redeem debentures, to change/ modify/alter the terms of issues

n) To authorize officers or other persons for the purpose of acquisition of land, dealing and registration with the statutory authorities.

o) To authorize officers or other persons to deal with as Goods and Service Tax, Excise, Service Tax, Customs, Income Tax, profession Tax, Commercial Tax, State & Central Sales tax, VAT authorities and such other State and Central Government authorities, on such terms and conditions and limitations as the said Committee shall determine and initial, Sign execute all applications, papers, contracts, deeds and documents in this regard.

p) To appoint Occupier under various acts applicable to the factory and to appoint Factory Manager pursuant to Factories Act, 1948 and authorized them to initial, sign, execute all necessary applications, forms, contracts, deeds and documents pursuant to various acts applicable to the factory located at various places within the territory of India.

q) To authorize officers or any other persons to issue, sign and give indemnities, bonds, guarantees or documents of similar nature having financial exposure to the State and Central Government Authorities and also to accept, enter into and sign any compromise in relation to the direct or indirect tax matters.

r) To issue power of attorneys, open/close branch offices, authorize persons for signing Vakalatnama, authorize persons to attend meeting pursuant to section 113 of the Companies Act, 2013, affixation of Common seal.

s) To do all acts, deeds and things as the Committee deem fit and consider necessary by exercising the powers of the Board which the Committee may lawfully exercise by virtue of the powers hereinabove conferred

t) To exercise such powers as may be delegated by the Board of Directors from time to time.

4.8 SUSTAINABILITY COMMITTEE:

a . Composition and Meetings:

The Sustainability Committee was constituted on 3rd August, 2019 and comprises of two Executive Directors and two Non-Executive Independent Directors. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee met once times on 24th October, 2019. The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. Jugal Kishore Tandon - Chairman	Non-Executive Independent Director	1
Mr. Parth Jindal- Member	Managing Director	1
Mr. Nilesh Narwekar – Member	Executive Director	1
Ms. Sutapa Banerjee - Member	Non-Executive Independent Director	1

b. Invitees / Participants:

The CFO and Sustainability team members are the permanent invitees. Sustainability Team gives their presentation before the Committee.Other employees are invited wherever required.

c. Terms of Reference:

The roles and responsibilities approved by the Board, for the functioning of Finance Committee, inter alia include:

1. Responsible for adoption of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, 2011 (NVGs) in business practice of JSW Cement.
2. Reviews adoption of all sustainability related policies/standards.
3. Oversee management processes to ensure compliance with policies/standards.
4. Review audits and assurance reports on how policies/standards are implemented.
5. Review the progress of business sustainability initiative and progress at JSW Cement.
6. Review the annual business responsibility report and present to the Board for approval.

5. General Meetings:

A. ANNUAL GENERAL MEETINGS:

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat, are as follows:

AGM	Date	Time	Venue	Special Resolution
13th	27th September, 2019	11.00 am	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Appointment of Mr. K. Swaminathan as Whole Time Director and designated as Director – Sales & Marketing
12th	27th September, 2018	11.00 am	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Appointment of Mr. Narinder Singh Kahlon as Whole Time Director and designated as Director –Finance and CFO
11th	25th September, 2017	3.00 P.M.	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	a) Appointment and fixation of remuneration of Whole Time Director and CEO b) Grant of Loan pursuant to section 186 of the Companies Act, 2013 c) Pledge of Equity Shares of Subsidiary Company

B. EXTRA-ORDINARY GENERAL MEETING:

The details of date, time and venue of Extra-Ordinary General Meetings (EGMs) of the Company held during the preceding three years and the special resolutions passed thereat are as under:

EGM	Date	Time	Venue	Particulars
	11th February, 2019	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Resolution pursuant to section 185 of the Companies Act, 2013
	6th June, 2019	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Resolution pursuant to section 185 of the Companies Act, 2013
	27th January, 2018	10.00 am	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Resolution pursuant to section 186 of the Companies Act, 2013
	9th November, 2017	9.30 A.M.	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Reclassification of Capital Clause of Memorandum of Association of the Company
	30th May, 2017	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	a) Approval of amended JSWCL Employees Stock Ownership Plan – 2016 b) Approval pursuant to rule 12(4)(b) of the Companies (Share Capital and Debentures) Rule, 2014, Grant of options to employees during any one year equal to or exceeding one percent of issued capital of the Company at the time of grant of options
	30th March, 2017	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Inter Corporate Loan to Shiva Cement Limited

EGM	Date	Time	Venue	Particulars
	26th December, 2016	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	a) Loan and Investment by the Company in terms of the provisions of Section 186 of the Companies Act, 2013. b) Borrowing powers of the Company in terms of provisions of Section 180(1)(c) of the Companies Act, 2013. c) Creation of Security(ies) in terms of provisions of Section 180(1)(a) of Companies Act, 2013. d) Performance Guarantee and Corporate/Bank Guarantee to Monnet Ispat & Energy Limited (MIEL) e) Inter Corporate Loan to Monnet Ispat & Energy Limited (MIEL) f) Inter Corporate Loan to Reynold Traders Private Limited
	21st May, 2016	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	a) Approval of amended JSWCL Employees Stock Ownership Plan - 2016 b) Approval pursuant to Rule 12(4)(b) of the Companies (Share Capital and Debentures) Rule, 2014, Grant of options to employees during any one year equal to or exceeding one percent of issued capital of the Company at the time of grant of options c) Grant of options to Retired Employees, Employees retired in the year of the grant of options

6. DISCLOSURES:

6.1 There were no materially significant related party transactions, i.e. transaction of the Company with its Promoters, Directors or the Management or relatives etc., that conflict with the interests of the Company.

6.2 The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.

6.3 The Company has laid down procedures to inform Board members about the risk assessment and minimisation process which are periodically reviewed.

6.4 There are no Inter-se relationships between Directors of the Company.

7. Means of Communications:

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance.

7.1 **Annual Report:** The Annual Report containing, interalia, Audited Annual Accounts, Directors' Report, Corporate Governance Report, Auditors' Report and other important information is sent to Members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report.

7.2 **Chairman's Communication:** Printed copy of the Chairman's Speech is distributed to all the Shareholders at the Annual General Meeting.

8. GENERAL SHAREHOLDERS INFORMATION:

8.1 Corporate Identity Number (CIN): U26957MH2006PLC160839

8.2 ISIN number: INE718I01012

8.3 Registrar & Share Transfer Agents:
Karvy Computer Share Private Limited,
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad-500032

8.4 SHAREHOLDING PATTERN OF THE COMPANY AS ON MARCH 31ST, 2020

Sr. No.	Name of the Shareholder	No. of shares & % of holding	
1	Adarsh Advisory Services Pvt. Ltd.	89,30,67,550	90.54
2	JSW Investments Pvt. Ltd.	4,15,89,726	4.22
3	Glebe Trading Pvt. Ltd.	2,06,42,340	2.09
4	Danta Enterprises Pvt. Ltd.	2,60,00,000	2.64
5	JSL Limited	50,52,114	0.51
6	Mr. Seshagiri Rao*	100	0.00

Sr. No.	Name of the Shareholder	No. of shares & % of holding	
7	Mr. K N Patel*	100	0.00
8	Mr. P K Kedia*	100	0.00
9	Mr. Jayant Acharya*	100	0.00
10	Mr. Balwant Ranka*	100	0.00
	TOTAL	**98,63,52,230**	**100.00%**

*Nominees of JSW Investment Private Limited

8.5 GREEN INITIATIVE FOR PAPERLESS COMMUNICATIONS:

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, to shareholders at their e-mail address previously registered with the DPs/Company/RTAs. To support the "Green Initiative" taken by the MCA and to contribute towards greener environment, The Company is sending Notices and Agenda to Directors through email and after meeting circulating compliance related documents through e-mail. Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail address with their concerned DPs and forward the same to Company's Registrar in the event they have not done so earlier for receiving notices/documents through Electronic mode.

Shareholders who hold shares in physical form are requested to register their e-mail addresses with Company, by sending a letter, duly signed by the first/ sole holder quoting details of Folio No.

8.6 REGISTERED OFFICE:

JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

8.7 PLANT LOCATIONS:

P. O. Vidyanagar, Toranagallu Village, Sandur Taluk, Bellary DistrictDistrict Bellary – 583 123, Karnataka.

Village Bilakalaguduru, Gadivemula Mandal, Nandyal, Dist. Kurnool, Andhra Pradesh - 518 501.

Survey No. 96/1, 96/2, 97/0, Village Khar Karavi, Dolvi, Taluka - Pen, District – Raigad Maharashtra - 402 107.

Survey No. 107/B, 109, 114-118, Village Khar Karavi, Dolvi, Taluka - Pen, District – Raigad Maharashtra - 402 107.

Ankur Complex, Vill- Jambedia,, Po- Sayedpur (Viya Salboni), PS- Salboni, Dist:- Paschim Midnapur, Pin 721306, West Bengal.

Kalinganagar Industrial Area, Jajpur, Odisha-759024.

9. Corporate Ethics:

The Company adheres to the highest standards of the business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings.

INTERNAL CHECKS AND BALANCES.

The Company has an Internal Audit Cell besides external firms acting as independent internal auditors that reviews internal controls and operating systems and procedures. The Board and the Management periodically review the findings and recommendations of the auditors and take necessary corrective actions wherever necessary. The Board recognises the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company. The Company also ensures that the Company conducts its business with high standards of legal, statutory and regulatory compliances.

At the heart of our processes is the extensive use of technology. This ensures robustness and integrity of financial reporting and internal controls, allows optimal use and protection of assets, facilitates accurate and timely compilation of financial statements and management reports and ensures compliance with statutory laws, regulations and company policies.

For and on behalf of the Board
JSW Cement Limited

Nirmal Kumar Jain
Chairman
DIN-00019442

Date: 23rd May, 2020
Place: Mumbai

INDEPENDENT AUDITORS' REPORT

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

To the Members of JSW Cement Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of JSW Cement Limited ("the Company"), which comprise the standalone balance sheet as at March 31st, 2020, and the standalone statement of Profit and Loss (including other comprehensive income), standalone statement of cash flows and standalone statement of changes in equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

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

In preparing the standalone financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

› Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

› Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

› Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

› Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

› Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 sub-section (3) of Section 143 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 standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the standalone statement of cash flow and the standalone statement of changes in equity dealt with by this report are in agreement with the books of account.

    d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

    e. On the basis of the written representations received from the directors as on March 31st, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2020 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

    g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2015, 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 standalone financial statements – Refer Note 35 of the standalone financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

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

For HPVS & Associates
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
M. No. 144084
UDIN: 20144084AAAABG1670

Place: Mumbai
Date: 29th May, 2020

APPENDIX A
TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JSW Cement Limited of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment on the basis of available information.

(b) The Company has a program of verification to cover all the items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment or right of use assets in the standalone financial statements, the lease agreements are in the name of the Company where the Company is the lessee in the agreement.

(ii) The inventory has been physically verified by the Company at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, reporting under paragraph 3 (iii) (a), (b) and (c) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or security to the parties covered under section 185 of the act. Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, the Company has complied with the provisions of section 186 of the Act in respect of the grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, reporting under paragraph 3 (v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148 of the Act. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not required to make a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us, and the records of the company examined by us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, service tax, goods and service tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

APPENDIX A
TO THE INDEPENDENT AUDITORS' REPORT

(b) According to the information and explanations given to us, there are no dues of sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, duty of excise, value added tax, and cess which have not been deposited on account of any dispute except as follows:

Name of the Statute	Nature of the Dues	Amount# (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Central Excise	Cenvat Credit, Penalty and Interest	1.94	2008-09	Customs, Excise and Service Tax Appellate Tribunal (CESTAT) Tirupati, Kurnool, Bengaluru & Belgam
		1.43	2009-10	
		0.83	2011-12	
		5.49	2012-13	
		17.34	2013-14	
		7.92	2014-15	
		5.78	2015-16	
		6.69	2016-17	
Building & Other Construction Workers (Regulation of employment & Conditions of Service) Act,1996	Cess	2.00	2008-09	Commisioner of Labour, Kurnool
Customs	Classification of Imported Coal	22.44	2012-13	Commisioner of Customs (Import), Guntur and Chennai
Sales Tax	VAT on sale to SEZ units	0.05	2014-15	Appellate Deputy Commissioner, Tirupati
Income Tax	Disallowance of addition to Fixed Assets	0.33	2008-09 and 2016-17	Case Redirected to Assessing Officer

#Net of amounts paid under protest

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to the banks during the year. The Company has not taken any loans from financial institutions, government or by way of issue of debentures.

(ix) In our opinion and according to the information and explanations given by the management, monies raised by the company by way of term loans were applied for the purposes for which they were raised. According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/further public offer (including debt instruments) and hence not commented upon.

(x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the Management, we report that no material fraud by the Company and on the Company by its officer or employees has been noticed or reported during the year.

(xi) Based on the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the Management, we report that the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule (V) to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, transactions during the year with the related parties were approved by the Audit Committee and are in compliance with section 177 of the Act where applicable and since the said transactions were in the ordinary course of business of the company and were at arm's length basis, the provisions of section 188 are not applicable, and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment/

private placement of shares or fully or partly convertible debentures during the year.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, in our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3 (xvi) of the Order is not applicable to the Company.

For HPVS & Associates
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
M. No. 144084
UDIN: 20144084AAAABG1670

Place: Mumbai
Date: 29th May, 2020

APPENDIX B
TO THE INDEPENDENT AUDITORS' REPORT

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section (3) of Section 143 of the Act

OPINION

In conjunction with our audit of the standalone financial statements of JSW Cement Limited ("the Company") as of March 31st, 2020, we have audited the internal financial controls over financial reporting of JSW Cement Limited (hereinafter referred to as the "Company") as of that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to these standalone financial statements and such internal financial controls were operating effectively as at March 31st, 2020, based on the internal financial controls with reference to standalone financial statements 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.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

A Company's internal financial control over financial reporting with reference to these standalone financial statements 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 with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements 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.

For HPVS & Associates
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
M. No. 144084
UDIN: 20144084AAAABG1670

Place: Mumbai
Date: 29th May, 2020

STANDALONE BALANCE SHEET

AS AT 31st MARCH 2020

(₹ Crores)

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	2,919.15	2,694.07
(b) Capital work-in-progress	5.5	452.68	308.52
(c) Other intangible assets	5A	10.90	12.05
(d) Financial assets			
(i) Investments	6	666.15	218.20
(ii) Loans	7	34.11	143.46
(iii) Other financial assets	8	0.01	-
(e) Income tax assets (net)	9	3.83	5.52
(f) Other non-current assets	10	98.96	131.26
Total non-current assets		**4,185.79**	**3,513.08**
Current assets			
(a) Inventories	11	402.79	254.38
(b) Financial assets			
(i) Trade receivables	12	409.95	392.69
(ii) Cash and cash equivalents	13	72.00	22.20
(iii) Bank balances other than (ii) above	14	1.96	1.05
(iv) Loans	7	241.43	489.95
(v) Other financial assets	8	66.14	62.88
(c) Other current assets	10	231.62	232.94
Total current assets		**1,425.89**	**1,456.09**
Total assets		**5,611.68**	**4,969.17**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	986.35	986.35
(b) Other equity	16	460.87	307.49
Total Equity		**1,447.22**	**1,293.84**
Non current Liabilities			
(a) Financial liabilities			
(i) Borrowings	17	2,006.62	2,108.23
(ii) Other financial liabilities	18	214.72	16.41
(b) Provisions	19	32.01	28.78
(c) Deferred tax liabilities (net)	20	45.21	3.84
Total non-current liabilities		**2,298.56**	**2,157.26**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	341.43	151.68
(ii) Trade payables			
Total outstanding dues of Micro enterprises and small enterprises	22	6.15	4.77
Total outstanding dues of creditors other than Micro enterprises and small enterprises	22	777.63	666.77
(iii) Other financial liabilities	23	683.13	612.12
(b) Other current liabilities	24	57.56	82.73
Total current liabilities		**1,865.90**	**1,518.07**
Total liabilitites		4,164.46	**3,675.33**
Total equity and liabilities		**5,611.68**	**4,969.17**

See accompanying notes to the standalone financial statement

As per our attached report of even date

For **HPVS & Associates**
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 20144084AAAABG1670

Place: Mumbai
Date: 29th May, 2020

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Sneha Bindra
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31st MARCH 2020

(₹ Crores)

	Particulars	Note No.	For the Year 31st March 2020	For the Year 31st March 2019
I	Revenue from operations	25	2,761.20	2,647.33
II	Other income	26	54.78	65.60
III	**Total Income (I+ II)**		**2,815.98**	**2,712.93**
IV	**Expenses**			
	Cost of raw material consumed	27	610.35	612.58
	Purchases of stock in trade	28	8.11	6.15
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	(34.21)	7.07
	Employee benefits expense	30	170.09	143.89
	Power and fuel		388.01	434.41
	Freight and handling expenses		636.35	633.23
	Other expenses	31	393.42	368.96
			2,172.12	2,206.29
	Less: Captive consumption		(2.51)	(9.90)
	Total Expenses (IV)		**2,169.61**	**2,196.39**
V	**Earnings before interest, tax, depreciation and amortisation (EBITDA) (III - IV)**		**646.37**	**516.54**
VI	Finance costs	32	265.42	235.72
VII	Depreciation and amortization expense	33	134.92	107.30
VIII	**Profit before tax (V-VI-VII)**		**246.03**	**173.52**
IX	**Total tax expenses**	35 k	**84.28**	**55.06**
X	**Profit for the year (VIII - IX)**		**161.75**	**118.46**
XI	**Other comprehensive income**			
	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the defined benefit plans		(0.69)	(0.10)
	(b) Equity instruments through other comprehensive income		(10.31)	(0.02)
	ii) Income tax relating to items that will not be reclassified to profit or loss		0.24	0.04
	Total other comprehensive income/(loss) (XI)		**(10.77)**	**(0.08)**
	Total comprehensive income/(loss) (X + XI)		**150.99**	**118.38**
XII	**Earnings per equity share (face value of ₹ 10/- each)**			
	- Basic (In ₹)	35m	1.64	1.20
	- Diluted (In ₹)		1.64	1.20

See accompanying notes to the standalone financial statement

As per our attached report of even date
For **HPVS & Associates**
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 20144084AAAABG1670

Place: Mumbai
Date: 29th May, 2020

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Sneha Bindra
Company Secretary

STANDALONE CASH FLOW STATEMENT

AS AT 31st MARCH 2020

(₹ Crores)

	Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
A.	**CASH FLOWS FROM OPERATING ACTIVITIES:**		
	PROFIT BEFORE TAX	246.03	173.52
	Adjustments for:		
	Interest income	(48.05)	(51.11)
	Unwinding of interest on financial assets carried at amortised cost	(0.75)	(0.56)
	Dividend on long-term investments	(0.39)	(0.12)
	Government incentive	(44.91)	(37.92)
	Gain on sale of current investments	-	(1.22)
	Loss/ (Gain) on sale of Property, plant and equipment	0.02	1.33
	Guarantee commission income	(0.03)	-
	Write back of excess provision	(4.66)	(6.15)
	Mines restoration provision	2.32	2.26
	Share based payment	2.42	3.72
	Provision for doubtful debts	0.60	0.05
	Unrealised foreign exchange gain / (loss)	(3.31)	0.45
	Depreciation and amortisation expense	134.92	107.30
	Interest costs on borrowings	265.42	235.72
	Operating profit before working capital changes	**549.63**	**427.27**
	Movements in Working Capital:		
	(Increase) in Trade receivables	(17.86)	(228.26)
	(Increase) in Inventories	(148.41)	(42.19)
	Decrease / (Increase) Loans & advances*	14.50	(193.17)
	(Increase) / Decrease financial assets	(8.19)	47.83
	Decrease Other assets*	30.34	107.42
	Increase in Trade payables	115.55	172.38
	Increase Other liabilities*	17.45	94.53
	Cash flow used in Operations	**553.01**	**385.81**
	Income taxes paid (net)	(40.97)	(35.63)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	**512.04**	**350.18**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of property, plant and equipment including capital advances	(314.14)	(555.44)
	Proceeds from sale of property, plant and equipment	0.05	5.30
	Interest received	53.73	16.70
	Investment in associate & subsidiary	(8.92)	(14.42)
	Dividend on long-term investments	0.39	0.12
	Gain/(loss) on Purchase/Sale of current investments	12.89	1.22
	Loan given to related party (net)	(98.23)	(183.48)
	NET CASH USED IN INVESTING ACTIVITIES	**(354.23)**	**(730.00)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from issue of equity share capital	-	-
	Proceeds from non-current borrowings	189.32	655.13
	Repayment of non-current borrowings	(241.31)	(154.69)
	Proceeds from current borrowings	189.75	(152.87)
	Interest paid on borrowings	(244.86)	(236.08)
	NET CASH GENERATED / (USED) FROM FINANCING ACTIVITIES	**(107.10)**	**111.49**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**50.71**	**(268.33)**
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**23.25**	**291.58**
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR [Refer Note 13 and 14]	**73.96**	**23.25**

* Includes current/ non-current

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st MARCH 2020

Reconciliation forming part of cash flow statement

Particulars	1st April 2019	Cash Flow (net)	Others	31st March 2020
Borrowings (non-current) (including current maturities of long-term borrowings included in other financial liabilities	2,394.03	(51.99)	(1.99)	2,340.05
Borrowings Current	151.68	189.75	-	341.43

Particulars	1st April 2018	Cash Flow (net)	Others	31st March 2019
Borrowings (non-current) (including current maturities of long-term borrowings included in other financial liabilities	1,893.79	500.44	0.20	2,394.03
Borrowings Current	304.55	(152.87)		151.68

See accompanying notes to the standalone financial statement

Notes:

1. The Cash Flow Statement has been prepared under the "indirect method" as set out in IND AS 7 - Statement of Cash Flows
2. Others comprises of upfront fees amortisation

As per our attached report of even date

For **HPVS & Associates**

Chartered Accountants

F.R.N. 137533W

Vaibhav L Dattani

Partner

Membership No. 144084

UDIN: 20144084AAAABG1670

Place: Mumbai

Date: 29th May, 2020

For and on behalf of the Board of Directors

Nirmal Kumar Jain

Chairman

DIN: 00019442

Parth Sajjan Jindal

Managing Director

DIN: 06404506

Nilesh Narwekar

Whole-Time Director & CEO

DIN: 06908109

Narinder Singh Kahlon

Director Finance & CFO

DIN: 03578016

Sneha Bindra

Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY (SOCIE)

AS AT 31st MARCH 2020

Equity Share Capital (A)

(₹ Crores)

Particulars	Total
Balance at 1st April 2018	986.35
Changes in equity share capital during the year	-
Balance at 31st March 2019	986.35
Changes in equity share capital during the year	-
Balance at 31st March 2020	**986.35**

Other equity (B)

(₹ Crores)

Particulars	Reserves & Surplus		Items of Other comprehensive income/ (loss)	Total
	Retained Earnings	Share option outstanding reserve	Equity instruments through other comprehensive income	
Balance at 31st March 2018	**180.92**	**-**	**4.46**	**185.38**
Profit for the year	118.46	-	-	118.46
Share based payments	-	3.72	-	3.72
Other comprehensive income for the year	(0.07)	-	(0.01)	(0.08)
	-	-	-	-
Total	**299.31**	**3.72**	**4.45**	**307.48**
Balance at 31st March 2019	**299.31**	**3.72**	**4.45**	**307.48**
Profit for the year	161.76	-	-	161.76
Share based payments	-	2.39	-	2.39
Other comprehensive income for the year (net of tax)	(0.45)	-	(10.31)	(10.76)
Transfer to retained earning realised profit on FVTOCI	2.93		(2.93)	-
Total	**164.24**	**2.39**	**(13.24)**	**153.39**
Balance at 31st March 2020	**463.55**	**6.11**	**(8.79)**	**460.87**

See accompanying notes to the standalone financial statement

As per our attached report of even date
For **HPVS & Associates**
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 20144084AAAABG1670

Place: Mumbai
Date: 29th May, 2020

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Sneha Bindra
Company Secretary

NOTES TO STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

1. General Information

JSW Cement Limited ("the Company") is engaged in the business of manufacture and sale of cement, ground granulated blast furnace slag and clinker and trading of allied products. The Company is operating ~ 3.20 million tonne per annum grinding unit at Vijayanagar-Karnataka, ~ 4.80 million tonne per annum green field cement manufacturing unit at Bilkalguduru village near Nandyal- Andhra Pradesh, ~ 2.20 million tonne per annum grinding unit at Dolvi Maharashtra, ~ 2.40 million tonne per annum grinding unit at Salboni village in West Bengal and ~ 1.20 million tonne per annum grinding unit at Jajpur in Odissa.

JSW Cement Limited is a public limited company incorporated in India on March 29, 2006 under the Companies Act, 1956. The registered office of the Company is JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

Based on initial assessment of Impact of Covid -19, the Management does not expect any medium to long-term impact on the business of the Company. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory, loans, receivables and debt covenants basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to above, and the company's liquidity position, there is no uncertainty in meeting financial obligations over the foreseeable future. Accordingly, there is no material adjustment required in the financial statements

2. New Accounting Pronouncement – Adoption of IND AS 116 "Leases"

The Company applied Ind AS 116-Leases first time. Ind AS 116 Leases was notified on March 30, 2019 by the Ministry of Corporate Affairs. It replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases (i.e. leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right of use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right of use asset.

The standard permits two possible methods of transition i.e. Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, and Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. The Company adopted Ind AS 116 using the modified retrospective approach on transition. Therefore, the comparative information was not restated and continues to be reported under Ind AS 17. There was no impact on transition on the opening balance sheet as at April 1, 2019.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term.
3. Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

3. Significant Accounting Policies

I. STATEMENT OF COMPLIANCES

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 23rd May 2020.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance sheet as at 31st March 2020, the Statement of Profit and Loss, the Statement of Cash Flows and Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as Standalone Financials Statements' or 'financial statements').

II. BASIS OF PREPARATION AND PRESENTATION

The Standalone Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

› Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

› Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

› Level 3 inputs are unobservable inputs for the asset or liability.

The Financial Statement is presented in INR which is the functional currency of the company. All the values are rounded off to Crores unless otherwise stated

Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non current classification.

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

› It is expected to be realized in or is intended for sale or consumption in, its normal operating cycle; or

› It is held primarily for the purpose of being traded; or

› It is expected to be realised within 12 months after the reporting date; or

› It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

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

› It is expected to be settled in the Company's normal operating cycle;

› It is held primarily for the purpose of being traded;

› It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

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

III. REVENUE RECOGNITION

Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, incentives, volume rebates, outgoing taxes on sales. Any amounts receivable from the customer is recognized as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch/delivery of goods.

No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed to with the customer concerned, which is consistent with market practice.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

IV. LEASES

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 - Leases. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

V. FOREIGN CURRENCY TRANSACTIONS

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in Statement of Profit and Loss in the period in which they arise except for:

a) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

b) exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (xvii) (e);

c) exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements upto March 31st, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable Property, Plant and equipment to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable Property, Plant and equipment, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss.

VI. BORROWING COSTS

Borrowing costs attributable to the acquisition and construction of qualifying assets, are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

Borrowing cost includes exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to finance cost.

VII. GOVERNMENT GRANTS AND SUBSIDIES

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate or when the performance obligation is met.

Government grants related to income under State Investment Promotion Scheme linked with VAT / GST payment are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government Grant relating to tangible Property, Plant and equipment are treated as deferred income and released to statement of profit and loss over the expected useful lives of the assets concerned

VIII. EMPLOYEE BENEFITS

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

› service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

› net interest expense or income; and

› re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item

'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

IX. EMPLOYEE SHARE BASED PAYMENTS

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 34f.

The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

X. TAXES

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

XI. PROPERTY, PLANT AND EQUIPMENT

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Expenditure incurred after the property, plant & equipment has put into the operation, such as repairs and maintenance, are charged to statement of profit and loss in the period in which cost are incurred. Major shutdown and overhaul expenditure is capitalised as the activity undertaken improves the economic benefit expected to arise from the assets.

Spares parts, servicing equipment and standby equipment which can be used only in connection with a particular Plant & Equipment of the Company and their use is expected to be irregular, are capitalised at cost.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses., if any.

Capital Work-In-Progress

Assets in the course of construction or which are not ready for its intended use are shown as Capital Work-in-progress ("CWIP") for capitalisation and includes cost of material consumed, erection charges thereon along with other related expenses incurred for the projects. Expenditure attributable to Property, Plant and equipment are identified and allocated on a systematic basis to the cost of related assets. Interest during construction and expenditure (net) allocated to construction are apportioned to CWIP based on the closing balance of specific assets or part of asset being capitalised. The balance if any, left after such capitalisation is kept as a separate item under CWIP schedule. Claims for price variation/ escalation in case of contracts are accounted for on acceptance of claims.

Apart from costs related directly to the construction of an asset, indirect expenses incurred up-to the date of commencement of commercial production which are incidental and related to construction are capitalized as part of the construction cost. Income, if any, earned during the construction period is reduced from the indirect costs.

At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

Depreciation

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Sr. No.	Nature of Assets	Useful life of assets
1	Plant and Machinery	3 to 55 years
2	Factory Building	65 years
3	Non-Factory Building	3 to 65 years

Depreciation on additions to property, plant and equipment is provided on a pro-rata basis from the date of installation and in the case of a new project from the date of commencement of commercial production. Depreciation on deductions / disposals is provided on pro-rata basis upto the date of deduction/disposal. In respect of an asset for which impairment loss, if any, is recognised, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The Company identifies and determines cost of each component / part of the asset and depreciates separately, if the component / part have a cost which is significant to the total cost of the asset and has a useful life that is materially different from that of the remaining asset. Assets less than 5000 are fully depreciated in the year of purchase.

Spares, servicing equipment and standby equipment, which are capitalised, are depreciated over the useful life of the related fixed asset. The written down value of such spares is charged to statement of profit and loss, on issue for consumption.

Freehold lands are not depreciated.

Expense Incurred for improvement of leasehold assets which are expected to have future economic benefit are capitalized and amortise over the term of the lease.

Capital assets whose ownership does not vest with the Company are amortised based on the estimated useful life as follows:

Sr. No.	Nature of Assets	Useful life of assets
1	Switching substation	35 years
2	Railway Siding	15 years
3	Road	25 years
4	Leasehold improvement	5 years
5	Residential complex	10 years

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

XII. INTANGIBLE ASSETS

The cost of Intangible Assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on acquiring the asset which is ready for its intended use.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible Assets

Estimated useful lives of the intangible Assets are as follows.

Sr. No.	Nature of Assets	Useful life of assets
1	Software	3 years
2	Mining rights	Period of mining lease

Expenditure on software is amortised on Straight Line Method over the period of three years from the date it is put to use.

a) Mining rights -site restoration costs

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on he current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to profit or loss over the life of the asset through depreciation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/ or other agreements. The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology.

XIII. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised. Such reversal of impairment loss is recognised in the Statement of Profit and Loss.

XIV. INVENTORIES

Inventories are valued after providing for obsolescence as follows:

i) Raw material, stores & spares, packing material and fuels are valued at lower of cost and net realisable value. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.

ii) Work-in-progress and Finished Goods are valued at lower of cost and net realisable value. Cost of finished goods and work-In –progress include cost of direct material and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost.

iii) Waste/Scrap inventory is valued at net realisable value.

iv) Obsolete, defective and unserviceable stock is duly provided for wherever applicable.

v) Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition

vi) Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XV. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a liable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. However, major contingent assets (if any) are disclosed in the notes to financial statements

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

XVI. INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

Investment in subsidiaries and associates are shown at cost less accumulated impairment losses if any. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

XVII. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

› The asset is held with n a business model whose objective is to hold assets to collect contractual cash flows; and

› The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

› The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

› The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value.. 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 FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to 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 FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

› The Company's right to receive the dividends is established,

› It is probable that the economic benefits associated with the dividends will flow to the entity,

› The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

d) Impairment

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet

e) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the 'Other income' line item.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

› It has been incurred principally for the purpose of repurchasing it in the near term; or

› on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

› it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

› such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

› the financial liability forms part of a group of financial assets or financial liabilities or both,

› which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

› it forms part of a contract containing one or more embedded derivatives, and Ind AS 109

› permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and capital expenditure. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 12 months (for raw materials) and up to 60 months (for capital expenditure). These arrangements for raw materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognised as other financial liabilities.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

d) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

e) Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge or hedges of net investments in foreign operations. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions.

Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognized in profit or loss. in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

f) Offsetting a financial asset and a financial liability

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet when, and only when, there is a currently enforceable legal right to setoff the recognised amounts and there is an intention to realise the assets and settle the liabilities simultaneously on a net basis.

XVIII. CASH AND CASH EQUIVALENTS:

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

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short term deposits, as defined above.

XIX. EARNINGS PER SHARE

Basic EPS is computed by dividing the net profit or loss after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

4. Key sources of estimation uncertainty and recent accounting pronouncement

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

A) KEY SOURCES OF ESTIMATION UNCERTAINTY

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

ii) Impairment of investments in subsidiaries and associates

Determining whether the investments in subsidiaries, associates are impaired requires an estimate in the value in use of investments. In considering the value in use, Management have anticipated the future commodity prices, capacity utilization of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

iii) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts 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.

iv) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

v) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility

vi) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

vii) Mines restoration obligation

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to mining reserve, discount rates, the expected cost of mines restoration and the expected timing of those costs.

viii) Leases

If an arrangement contains a lease, the parties to the arrangement shall apply the requirements of Ind AS 116 to the lease element. Therefore, the Company is required to separate payments and other consideration required by the arrangement into those for the lease and for other elements on the basis of their relative fair values.

However, Management has concluded that it is impracticable to separate both the elements reliably and has recognized an asset and a liability at an amount equal to the carrying value of the specified asset in the books of the lessor. Subsequently, the liability has been reduced as payments are made and an imputed finance charges on the liability recognized using the Company's incremental borrowing rate of interest over the tenure of the arrangement. The total payments less payments made towards lease obligation and imputed finance charges have been considered to be the consideration for elements other than lease.

In case of arrangements which are identified to be in the nature of finance lease, the management concluded that it is impracticable to derive the relative fair values of lease and other elements of the arrangement and has accordingly determined the consideration for elements other than lease as a residual post appropriation of lease payments derived based on lessee's incremental borrowing rate of interest on the lease obligation corresponding to the respective gross asset values in the books of lessor.

ix) Defined benefits plans

The cost of defined benefit plan and other postemployment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

B) RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Note 5 Property, plant and equipment

(₹ Crores)

Description of Assets	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Computers	Office Equipment	Vehicle	220 KV Switching station	Residential complex	Leasehold improvement	External road	Right of use assets *	Railway siding	Total Property, plant and equipment
I. Cost / Deemed cost														
Balance as at 31st March, 2018	32.39	473.74	1,758.73	2.02	2.11	3.03	2.43	16.36	-	-	84.06	-	18.26	2,393.13
Additions	2.48	115.14	398.35	1.95	0.61	2.88	0.15	-	13.25	2.96	0.20	-	0.74	538.71
Deductions	-	(3.30)	(4.81)	-	-	-	(0.53)	-	-	-	-	-	-	(8.64)
Balance as at 31st March, 2019	**34.87**	**585.58**	**2,152.27**	**3.97**	**2.72**	**5.91**	**2.05**	**16.36**	**13.25**	**2.96**	**84.26**	**-**	**19.00**	**2,923.20**
Reclassification of land	-	-	-	-		-	-	-	-	-	-	7.43	-	7.43
Additions	0.94	39.52	67.58	1.68	4.38	2.05	1.10		1.60	1.19	0.07	230.57	-	350.68
Deductions	-	-	-	-	(0.00)	-	(0.07)	-	-	-	-	-	-	**(0.07)**
Balance as at 31st March, 2020	35.81	625.10	2,219.85	5.65	7.10	7.96	3.08	16.36	14.85	4.15	84.33	238.00	19.00	3,281.24
II. Accumulated depreciation														
Balance as at 31st March, 2018	-	9.83	107.71	0.47	0.79	0.61	0.44	1.64	-	-	3.36	-	0.82	125.67
Depreciation expense for the year	-	9.80	88.18	0.39	0.68	0.65	0.32	0.53	0.11	0.05	3.36	-	1.39	105.46
Eliminated on disposal of assets	-	(0.48)	(1.34)	-	-	-	(0.18)	-	-	-	-	-	-	(2.00)
Balance as at 31st March, 2019	**-**	**19.15**	**194.55**	**0.86**	**1.47**	**1.26**	**0.58**	**2.17**	**0.11**	**0.05**	**6.72**	**-**	**2.21**	**229.13**
Depreciation expense for the year	-	11.16	96.32	0.60	1.28	1.14	0.37	0.53	1.49	0.59	3.37	**14.70**	1.41	132.96
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2020	**-**	**30.31**	**290.87**	**1.46**	**2.75**	**2.40**	**0.95**	**2.70**	**1.60**	**0.64**	**10.09**	**14.70**	**3.62**	**362.09**
Carrying value														
Balance as at 31st March, 2020	**35.81**	**594.79**	**1,928.98**	**4.19**	**4.35**	**5.56**	**2.13**	**13.66**	**13.25**	**3.51**	**74.24**	**223.30**	**15.38**	**2,919.15**
Balance as at 31st March, 2019	34.87	566.43	1,957.72	3.11	1.25	4.65	1.47	14.19	13.14	2.91	77.54	-	16.79	2,694.07

Useful life of the assets (years in range)	NA	65	25-40	5-10	3-6	5-10	8-10	35	10	5	25	2-25	15
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM

* Refer Note 35 (j) for classwise breakup of Right of use assets

5.1 Asset include Gross Block of ₹ 615.21 Crores (previous year ₹ 598.08 Crores) constructed on lease land under sub-lease agreements with JSW Steel Limited, for 150 Acres of land situated at Tornagallu village, District Bellary Karnataka at an annual rent of ₹ 0.60 Crores.

5.2 Asset include Gross Block of ₹ 402.11 Crores(previous year ₹ 381.08 Crores)constructed on lease land under lease agreements with JSW Steel Limited, for 20.55 Acres of land situated at Dolvi, District Raigad, Maharshatra at an annual rent of ₹ 2.30 Crores.

5.3 Certain property, plant and equipment are pledged against borrowing, the detail relating to which have been described in note 17

5.4 Property, plant and equipment include assets with net block of ₹ 120.04 Crores (previous year ₹ 124.56 Crores) for which ownership is not in the name of the company

5.5 Capital work in progress includes finance cost ₹ 35.90 Crores (As at 31 March 2019: ₹ 12.07 Crores)

5.6 Depreciation of ₹0.16 Crores pertaining to project is transferred to CWIP

Note 5A Other Intangible assets

(₹ Crores)

Description of Assets	Software	Mining Rights	Total Intangible Assets
I. Cost / Deemed cost			
Balance as at 31st March, 2018	1.17	8.93	10.10
Additions	4.45	-	4.45
Deductions	-	-	-
Balance as at 31st March, 2019	**5.62**	**8.93**	**14.55**
Additions	0.97		0.97
Deductions	-	-	-
Balance as at 31st March, 2020	**6.59**	**8.93**	**15.52**
II. Accumulated depreciation			
Balance as at 31st March, 2018	0.47	0.28	0.75
Depreciation expense for the year	1.53	0.22	1.75
Eliminated on disposal of assets	-	-	-
Balance as at 31st March, 2019	**2.00**	**0.50**	**2.50**
Depreciation expense for the year	1.91	0.21	2.12
Eliminated on disposal of assets	-	-	-
Balance as at 31st March, 2020	**3.91**	**0.71**	**4.62**
Carrying value			
Balance as at 31st March, 2020	**2.68**	**8.22**	**10.90**
Balance as at 31st March, 2019	3.61	8.44	12.05
Useful life of the assets (years in range)	3	50	
Method of amortization	SLM	SLM	

1. Company has recognised Mining Rights as required under IND AS 16 Property, Plant & Equipment for decommissioning liability to be incurred towards mines restoration expenditure, for deriving the cost of the asset company has discounted the value over the lease period of the mines.

NOTES TO STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

6. Investments (non current)

(₹ Crores)

	Particulars	As at 31st March 2020	As at 31st March 2019
(A)	**Investment in Equity Instruments**		
	Quoted- others (At fair value through OCI)		
	JSW Energy Limited	11.20	17.31
	26,29,810 (31st March 2019: 23,84,610) of ₹ 10 each fully paid-up		
	JSW Steel Limited	-	11.13
	NIL (31st March 2019: 380,000) of ₹ 10 each fully paid-up		
	Quoted - Subsidiary (Cost or deemed cost)		
	Shiva Cement Limited	165.82	165.82
	10,61,66,750 (31st March 2019: 10,61,66,750) of ₹ 2 each fully paid-up		
	Unquoted -Subsidiary (Cost or deemed cost)		
	JSW Cement FZE	179.11	22.51
	5,93,440 (31st March 2019: 82,600) of AED 150 each fully paid-up		
	Utkarsh Transport Limited	1.01	1.01
	1,010,000 (31st March 2019: 1,010,000) of ₹ 10 each fully paid-up		
	JSW Green Cement Private Limited	0.01	-
	10,000 (31st March 2019: Nil) of ₹ 10 each fully paid-up		
(B)	**Investment Debenture**		
	Unquoted Zero Coupon Optionally Convertible Debentures		
	JSW Sports Limited *	309.00	-
	30,900 debentures (31st March 2019: NIL) of ₹ 100,000 each		
(C)	**Investment in Mutual fund**		
	Quoted - Others		
	JM High Liquidity Fund - Growth	-	0.42
(D)	**Investment in government securities (Unquoted (others) (at amortised cost))**		
	National Saving Certificate - Pledged with Commercial Tax Department 3,000 (31st March 2019: 3,000)		
	Total (A+B+C+D)	**666.15**	**218.20**
	Quoted		
	Aggregate book value	177.02	194.68
	Aggregate market value	87.96	204.46
	Unquoted		
	Aggregate carrying value	489.13	23.52
	* Includes Principal and Interest		
	Investment at cost	**345.95**	**189.34**
	Investment at amortised cost	**309.00**	**-**
	Investment at fair value through other comprehensive income	**11.20**	**28.86**

Sale of shares to JSW Steel Limited (380,000 shares) and JSW Energy Limited (555,000 shares). Sale of shares at fair value of ₹ 12.45 Crores and ₹ 0.44 Crores of Mutual fund which is the quoted price on date of sale, resulting in cumulative gain recognized ₹ 2.93 Crores which is transferred from Equity Instruments through Other Comprehensive Income to Retained Earnings.

7. Loans

(₹ Crores)

Particulars	Non-Current		Current	
	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019
Unsecured considered good				
Security deposits	-	-	2.32	2.65
Loans to:				
- Related parties *	1.83	3.75	20.60	275.00
- Other body corporates	-	32.98	88.25	69.69
- Subsidiary	30.28	104.73	129.76	142.35
- Others	2.00	2.00	-	-
Advance to employees	-	-	0.50	0.26
Total	**34.11**	**143.46**	**241.43**	**489.95**

* For business purpose: refer note 35 (i)

8. Other financial assets (unsecured, considered good)

(₹ Crores)

Particulars	Non-Current		Current	
	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019
Interest receivable on loan to related party	-	-	43.70	49.19
Interest receivable others	-	-	5.47	4.91
Derivative asset	-	-	3.41	-
Claims receivable	-	-	-	0.36
Deposit with remaining maturity of more than 12 months	0.01	-	-	-
Other receivable	-	-	13.56	8.42
Total	**0.01**	**-**	**66.14**	**62.88**

9. Income tax assets (net)

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Advance tax and Tax Deducted at Source (net)	3.83	5.52
Total	**3.83**	**5.52**

10. Other assets

(₹ Crores)

Particulars	Non-Current		Current	
	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019
Capital advances (Unsecured, considered good)	39.06	68.36	-	-
Other assets (Unsecured, considered good)				
Advance to suppliers	-	-	37.08	75.57
GST receivable	-	-	51.39	50.39
Prepaid expenses	14.34	11.32	5.99	13.88
Leasehold land prepayments	-	7.43	-	-
Security deposits	45.56	44.15	-	-
Government grant receivable	-	-	129.90	84.98
Other receivables	-	-	7.26	8.12
Total	**98.96**	**131.26**	**231.62**	**232.94**

11 Inventories

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Raw materials (includes stock in transit ₹ 9.75 Crores ;previous year : 17.02 Crores) (at cost)	177.31	113.82
Semi finished goods (at cost)	29.11	14.17
Finished goods (at lower of cost and net realisable value)	44.32	25.05
Stores and spares (includes stock in transit ₹ 1.07 Crores ;previous year : Nil) (at cost)	118.70	80.47
Fuel (includes stock in transit ₹ NIL ;previous year ₹ 0.56 Crores) (at cost)	33.35	20.87
Total	**402.79**	**254.38**

Inventories have been pledged as security against certain bank borrowings of the company as at 31st March 2020 (refer note 21)

Cost of inventory recognised as an expense

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Cost of material consumed	610.35	612.58
Changes in inventories of finished goods, semi finished goods and stock in trade	(34.21)	7.07
Stores and spares	29.70	27.27
Fuel	169.79	185.61
Total	**775.63**	**832.53**

NOTES TO STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

12. Trade receivables

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Trade Receivable considered good, Secured	94.37	72.45
Trade Receivable considered good, Unsecured (refer note 34)	315.58	320.24
Trade receivable which have significant increase in credit risk	0.78	0.18
Trade Receivables-credit impaired	0.34	0.34
	411.07	**393.21**
Less: Allowance for expected credit loss	(1.12)	(0.52)
Total	**409.95**	**392.69**

Trade receivable are secured by the funds received from Del credere agent (refer note 23)

Trade receivables have been pledged as security against certain bank borrowings of the company as at 31st March, 2020 (refer note 21)

Debts amounting to ₹ 0.30 Crores are due by private companies in which director is a director

13. Cash and cash equivalents

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Balances with banks in current accounts	71.90	22.12
Cash on hand	0.10	0.08
Total	**72.00**	**22.20**

14. Bank balances other than cash and cash equivalents

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Term deposit with original maturity of more than 3 months but less than 12 months at inception	1.96	1.05
	1.96	**1.05**

15. Equity share capital

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Authorised Capital		
1,250,000,000 (31st March 2019: 1,250,000,000) Equity shares of ₹10 each	1,250.00	1,250.00
25,000,000 (31st March 2019: 25,000,000) Preference shares of ₹ 100 each	250.00	250.00
Issued, Subscribed & Fully Paid Up Capital		
986,352,230 (31st March 2019: 986,352,230) Equity shares of ₹10 each fully paid up	986.35	986.35
	986.35	**986.35**

15.1 RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
	No. of Shares	No. of Shares
Equity shares at the beginning of the year	98,63,52,230	98,63,52,230
Add: Fresh issue of shares during the year	-	-
Equity shares at the end of the year	**98,63,52,230**	**98,63,52,230**

15.2 RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO EQUITY SHARES

Equity Shares: The Company has a single class of ordinary equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

15.3 DETAILS OF AGGREGATE SHAREHOLDING BY HOLDING COMPANY

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Adarsh Advisory Services Private Limited - Holding Company		
893,067,550 (31st March 2019 893,067,550) Equity Shares of ₹ 10 each	893.07	893.07

15.4 SHAREHOLDERS HOLDING MORE THAN 5% OF AGGREGATE EQUITY SHARE IN THE COMPANY

(₹ Crores)

Particulars	As at 31st March 2020		As at 31st March 2019	
	Number of shares	% of holding	Number of shares	% of holding
Equity shareholding				
Adarsh Advisory Services Private Limited - Holding company	89,30,67,550	90.54%	89,30,67,550	90.54%

16. Other equity

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Retained earning	463.55	299.82
Share option outstanding reserve	6.11	3.72
Other comprehensive income:	-	-
Remeasurements of the net defined benefit Plans	-	(0.50)
Equity instruments through other comprehensive income	(8.79)	4.45
	460.87	**307.49**

SHARE OPTION OUTSTANDING RESERVE

The Company offers ESOP, under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of ESOP schemes.

OTHER COMPREHENSIVE INCOME:

As per IND AS 19 employee benefits gain or loss on account of remeasurement of the defined benefit liabilities/ assets have been realised through other comprehensive income.

17. Non current borrowings (at amortised cost)

(₹ Crores)

Particulars	Non-Current		Current Maturities	
	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019
Term Loans				
Secured				
From banks	2,013.39	2,116.79	326.66	277.24
Less: Unamortised upfront fees on borrowings	(6.77)	(8.56)	(3.02)	(3.22)
Total	2,006.62	2,108.23	323.64	274.02

RUPEE TERM LOAN FROM BANKS (SECURED)

(₹ Crores)

As at 31st March 2020		As at 31st March 2020		Terms of Repayment*	Security
Non-current	Current	Non-current	Current		
510.79	45.75	545.17	45.76	6 quarterly instalment of ₹11.44 Crores each from 01.07.2020 to 01.10.2021, 4 quarterly instalment of ₹13.34 Crores each from 01.01.2022 to 01.10.2022, 4 quarterly instalment of ₹30.50 Crores each from 01.01.2023 to 01.10.2023, 4 quarterly instalment of ₹38.13 Crores each from 01.01.2024 to 01.10.2024, 4 quarterly instalment of ₹40.03 Crores each from 01.01.2025 to 01.10.2025	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company

NOTES TO STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(₹ Crores)

162.04	81.07	243.22	90.35	9 quarterly instalment of ₹ 27.02 Crores each from 14.07.2020 to 14.04.2022	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
667.18	82.94	730.41	59.22	2 quarterly instalment of ₹19.74 Crores each from 30.06.2020 to 30.09.2020, 4 quarterly instalment of ₹ 21.71 Crores each from 31.12.2020 to 30.09.2021, 4 quarterly instalment of ₹ 25.66 Crores each from 31.12.2021 to 30.09.2022, 4 quarterly instalment of ₹ 29.61 Crores each from 31.12.2022 to 30.09.2023, 12 quarterly instalment of ₹ 33.56 Crores each from 31.12.2023 to 30.09.2026	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
289.00	-	201.50	-	4 quarterly instalment of ₹ 7.23 Crores each from 20.04.2021 to 20.01.2022, 4 quarterly instalment of ₹ 7.95 Crores each from 20.04.2022 to 20.01.2023, 4 quarterly instalment of ₹ 9.39 Crores each from 20.04.2023 to 20.01.2024, 4 quarterly instalment of ₹ 10.84 Crores each from 20.04.2024 to 20.01.2025, 12 quarterly instalment of ₹ 12.28 Crores each from 20.04.2025 to 20.01.2028	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
-	29.00	29.00	19.70	Annual instalment of ₹ 29.00 Crores on 22.03.2021	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
143.83	47.95	191.74	47.96	16 quarterly instalment of ₹11.99 Crores each from 09.06.2020 to 09.03.2024	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
160.55	19.95	175.75	14.25	2 quarterly instalment of ₹ 4.75 Crores each from 30.06.2020 to 30.09.2020, 4 quarterly instalment of ₹ 5.23 Crores each from 31.12.2020 to 30.09.2021, 4 quarterly instalment of ₹ 6.18 Crores each from 31.12.2021 to 30.09.2022, 4 quarterly instalment of ₹ 7.13 Crores each from 31.12.2022 to 30.09.2023, 12 quarterly instalment of ₹ 8.07 Crores each from 31.12.2023 to 30.09.2026	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
80.00	20.00	-	-	20 quarterly instalment of ₹ 5.00 Crores each from 30.06.2020 to 31.03.2025	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
2,013.39	326.66	2,116.79	277.24		

* Borrowing have been drawn at rate of interest at 8.05% - 10.05%

18. Other non-current financial liabilities

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Payable for capital projects	8.37	16.41
Guarantee Liability	4.82	-
Long term maturies for Lease arrangement	201.53	-
Total	**214.72**	**16.41**

19. Non- current provisions

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Provision for employee benefits		
Gratuity (Refer note 35 g)	1.29	1.07
Leave encashment (Refer note 35 g)	7.55	5.50
Mines restoration expenditure	23.17	22.21
Total	**32.01**	**28.78**

Note 19.1 Movement of provisions during the year as required by Ind AS- 37 "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013:

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Mines Restoration expenditure (to be settled at Mines closure)		
Opening Balance	22.21	20.59
Add: Unwinding of discount on mine restoration expenditure	2.32	2.26
Add: Reversal of provision	(1.36)	(0.64)
Closing Balance	**23.17**	**22.21**

20. Deferred tax (liabilities)(Net)

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Deferred tax (liabilities)(Net) (Refer note 35 k)	209.73	125.70
MAT credit entitlement	(164.52)	(121.86)
Total	**45.21**	**3.84**

21. Current borrowings (at amortised cost)

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Secured loans		
Loan repayable on demand		
From bank -working capital loan	171.43	136.68
Unsecured loans		
Loan repayable on demand		
From bank -working capital loan	170.00	15.00
Total	**341.43**	**151.68**

NOTES TO STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

21.1 DETAILS OF SECURITY

Working capital loan obtained from bank is secured by pari passu first charge by way of hypothecation of Stocks of Raw Materials, Finished Goods, Work-in-Progress, Consumable Stores and Spares and Trade Receivables of the Company, both present and future

Loan repayable on demand are secured on first pari passu charge on the Company's current assets by way of hypothecation.

BORROWINGS HAVE BEEN DRAWN AT FOLLOWING RATE OF INTEREST

Particulars	Rates of Interest (p.a)
Cash Credit	9.30% to 9.65%
Short Term Loan	9.30% to 9.90%

22. Trade payables

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Total outstanding dues of Micro enterprise and Small enterprise	6.15	4.77
Total outstanding dues of creditors other than Micro enterprises and small enterprises		
Acceptances	208.34	200.61
Other than acceptances	569.29	466.16
Total	**783.78**	**671.54**

Acceptances include credit availed by the company from banks for payment to suppliers for raw material purchased by the company. The arrangements are interest bearing and are payable within one year.

Refer note 35(p) for disclosure under Micro, Small and Medium enterprises Development Act.

Refer note 35 (i) with respect to amount payable to Related Parties.

23. Other current financial liabilities

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Current maturities of long-term borrowings (refer note 17)	323.64	274.02
Interest accrued but not due on borrowings	20.72	0.16
Payable for capital projects		
- Acceptances	0.62	18.09
- Other than acceptances	100.09	138.50
Security Deposit received	130.33	106.77
Lease liability	12.63	-
Guarantee Liability	0.73	-
Derivative Liability	-	2.13
Del Credre Finance payable	94.37	72.45
Total	**683.13**	**612.12**

Acceptances include credit availed by the company from banks for payment to suppliers for capital items purchased by the company. The arrangements are interest bearing and are payable within one year.

24. Other current liabilities

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Current dues of long-term employee benefits	1.27	0.81
Advances from customers	12.26	11.80
Statutory liabilities	42.83	69.49
Other Payables	1.20	0.63
Total	**57.56**	**82.73**

25. Revenue from operations

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Sale of Products		
Finished goods	2,690.07	2,580.50
Traded	9.07	8.90
Other operating revenue		
Scrap sale	17.15	20.01
Government grant income (refer note 3 (vii))	44.91	37.92
Total	**2,761.20**	**2,647.33**

Refer note 35 (n) for details of contract liability

Timing of revenue recognition is at point in time ₹ 2,761.20 Crores

RECONCILIATION OF REVENUE FROM SALE OF PRODUCTS WITH THE CONTRACTED PRICE

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Contracted Price	2,969.94	2,802.77
Less: Trade Discount, Volume, Rebate etc.	(270.80)	(213.37)
Sale of Products	**2,699.14**	**2,589.40**

26. Other Income

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Interest income from loan to Related party	43.05	42.97
Interest income from Others	5.00	8.15
Guarantee commission	0.03	-
Dividend income from non current investments designated at FVTOCI	0.39	0.12
Profit on sale of current investments	-	1.22
Write back of excess provision	4.66	6.14
Miscellaneous income	1.63	7.00
Total	**54.76**	**65.60**

27. Cost of raw material consumed

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Inventory at the beginning of the year	113.82	66.62
Add : Purchases	673.85	659.78
Less: Inventory at the end of the year	(177.31)	(113.82)
Total	**610.36**	**612.58**

28. Purchases of stock in trade

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Granulated Blast Furnace Slag	-	1.45
Cement	8.11	4.70
Limestone	-	-
Total	**8.11**	**6.15**

NOTES TO STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

29. Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Inventories at the beginning of the year		
Finished goods	25.05	19.95
Semi finished goods	14.17	26.34
	39.22	**46.29**
Inventories at the end of the year		
Finished goods	44.32	25.05
Semi finished goods	29.11	14.17
Total Inventories at the end of the year	**73.43**	**39.22**
Total	**(34.21)**	**7.07**

30. Employee benefits expense

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Salaries and wages	156.90	130.19
Employee stock option expense	2.42	3.72
Contributions to provident fund and other funds (Refer note 35 g)	5.83	5.08
Gratuity expense (Refer note 35 g)	1.54	1.42
Staff welfare expenses	3.39	3.48
Total	**170.08**	**143.89**

31. Other expenses

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Consumption of stores and spares	29.70	27.27
Packing Cost	74.27	86.27
Repairs and maintenance expenses:		
-Repairs to buildings	1.35	1.59
-Repairs to machinery	42.68	37.69
-Others	5.67	6.32
Rent (refer 3 note (iv))	2.07	7.70
Rates and taxes	2.28	1.71
Insurance	3.77	2.98
Legal & professional	13.82	13.30
Advertisement & publicity	48.05	41.09
Commission on sales	45.28	35.93
Rebates & discounts	30.41	26.77
Selling & distribution expenses	5.53	9.63
Branding fees	6.90	2.60
Auditors remuneration (Refer note 35 l)	0.31	0.33
Loss on sale of Fixed assets	0.02	1.14
Postage & telephone	1.15	1.07
Printing & stationery	0.51	0.61
Travelling expenses	28.95	30.28
Corporate social responsibility expense (Refer note 35 O)	3.82	4.63
Software and IT related expenses	3.22	3.11
Net loss on foreign currency translation and transactions	6.04	2.54
Donation	5.41	0.43
Miscellaneous expenses	32.21	23.97
Total	**393.42**	**368.96**

32. Finance costs

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Interest expenses	258.13	219.73
Unwinding of interest on financial liabilities carried at amortised cost	2.87	9.25
Unwinding of discount on mines restoration expenditure	2.32	2.26
Other borrowing cost	2.10	4.48
Total	**265.42**	**235.72**

33. Depreciation and amortization expense

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Depreciation on Property, plant and equipment	125.42	100.32
Depreciation of Asset constructed on property not owned by company	7.39	5.45
Amortization of Intangible assets	2.11	1.53
Total	**134.92**	**107.30**

34. Financial instruments

A. CAPITAL RISK MANAGEMENT

The objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity. The Company's capital requirement is mainly to fund its capacity expansion and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the asset and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments.

(₹ Crores)

Particulars	31st March 2020	31st March 2019
Long term borrowings	2,006.62	2,108.23
Current maturities of long term debt	323.64	274.02
Short term borrowings	341.43	151.68
Less: Cash and cash equivalent	(72.00)	(22.20)
Less: Bank balances other than cash and cash equivalents	(1.96)	(1.05)
Less: Current investment	-	-
Net debt	2,597.73	2,510.68
Total equity	1,447.22	1,293.84
Gearing ratio	**1.79**	**1.94**

(i) Equity includes all capital and reserves of the company that are managed as capital (Refer note 15 and 16)

(ii) Debt is defined as long-term and short-term borrowings. (refer note 17 and 21)

B. CATEGORIES OF FINANCIAL INSTRUMENTS

(₹ Crores)

Particulars	31st March 2020		31st March 2019	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	72.00	72.00	22.20	22.20
Bank balances other than cash and cash equivalents	1.96	1.96	1.05	1.05
Trade receivables	409.95	409.95	392.69	392.69
Loans	275.54	275.54	633.41	633.41
Non current investments	309.00	309.00	-	-
Other financial assets	66.15	66.15	62.88	62.88
Total financial assets at amortised cost (A)	**1,134.60**	**1,134.60**	**1,112.23**	**1,112.23**
Measured at fair value through other comprehensive income				
Non current investments	11.20	11.20	28.86	28.86
Total financial assets at fair value through other comprehensive income (B)	**11.20**	**11.20**	28.86	**28.86**
Total Financial assets (A+B)	**1,145.80**	**1,145.80**	**1,141.09**	**1,141.09**
Financial liabilities				
Measured at amortised cost				
Long term borrowings #	2,330.26	2,330.26	2,382.25	2,382.25
Short term borrowings	341.43	341.43	151.68	151.68
Trade payable	783.78	783.78	671.54	671.54
Other financial liabilities	574.21	574.21	354.51	354.51
Total financial liabilities at amortised cost	**4,029.68**	**4,029.68**	**3,559.98**	**3,559.98**

including current maturities of long term debt

A. RISK MANAGEMENT FRAMEWORK

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

B. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

› Market risk

› Interest rate risk

› Credit risk ; and

› Liquidity risk

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate.

Due to the pandemic of COVID-19, the company has availed the option to opt for the Moratorium on payment of interest and principle for borrowings made from banks. The company has analysed the risk it may have from the pandemic and ensures that the company is in good standing to pay all it's dues.

The following table provides a break-up of the Company's fixed and floating rate borrowing:

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Fixed rate borrowings	-	-
Floating rate borrowings	2,340.05	2,394.03
Total borrowings	**2,340.05**	**2,394.03**
Total Net borrowing	2,330.26	2,382.25
Add: Upfront fees	9.79	11.78
Total borrowings	**2,340.05**	**2,394.03**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the company's profit for the year ended 31st March 2020 would decrease / increase by ₹ 26.03 Crores (for the year ended 31st March 2019: decrease / increase by ₹ 25.74 Crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

iii. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Trade receivables

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an individual credit limits defined in accordance with the assessment.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. No single customer accounted for 10.0% or more of revenue in any of the years indicated. A single largest customer has total exposure in sales of 6.43%. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Our historical experience of collecting receivables indicate a low credit risk. Hence, trade receivables are considered to be a single class of financial assets.

As per policy receivables are classified into different buckets based on the overdue period ranging from 6 months – one year to more than one year. There are different provisioning norms for each bucket which are ranging from 2% to 5%.

NOTES TO STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

The movement in allowance for Expected Credit Loss is as follows:

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Balance at the beginning of the year	**0.18**	**0.13**
Change in allowance for trade receivable which have significant increase in credit risk	0.60	0.05
Trade receivable written off during the year	-	-
Balance as at the end of the year	**0.78**	**0.18**

Cash and cash equivalents :

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

The Company's maximum exposure to the credit risk for the components of balance sheet as 31st March 20 and 31st March 19 is the carrying amounts mentioned in Note no 13

Loans and investment

The Company's centralised treasury function manages the financial risks relating to the business. The treasury function focusses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits assigned for each of the counterparty. The limits are set to minimise the concentration of risks and therefore mitigate the financial loss through counter party's potential failure to make payments.

iv. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Liquidity exposure as at 31st March 2020

(₹ Crores)

Particulars	Contractual cash flows			
	< 1 year	1-5 year	> 5 years	Total
Financial assets				
Cash and cash equivalents	72.00	-	-	72.00
Bank balances other than cash and cash equivalents	1.96	-	-	1.96
Trade receivables	409.95	-	-	409.95
Loans	241.43	34.11	-	275.54
Non current investments	-	-	320.20	320.20
Other financial assets	66.14	0.01	-	66.15
Total financial assets	**791.48**	**34.12**	**320.20**	**1,145.80**
Financial liabilities				
Long term borrowings	-	1,489.39	517.23	2,006.62
Short term borrowings	341.43	-	-	341.43
Trade payable	783.78	-	-	783.78
Other financial liabilities	683.13	214.72	-	897.85
Total financial liabilities	**1,808.34**	**1,704.11**	**517.23**	**4,029.68**

Liquidity exposure as at 31st March 2019

(₹ Crores)

Particulars	Contractual cash flows			
	< 1 year	1-5 year	> 5 years	Total
Financial assets				
Cash and cash equivalents	22.20	-	-	22.20
Bank balances other than cash and cash equivalents	1.05	-	-	1.05
Trade receivables	392.69	-	-	392.69
Loans	489.95	143.46	-	633.41
Non current investments	-	-	28.86	28.86
Other financial assets	62.88	-	-	62.88
Total financial assets	**968.77**	**143.46**	**28.86**	**1,141.09**
Financial liabilities				
Long term borrowings	-	1,374.26	733.97	2,108.23
Short term borrowings	151.68	-	-	151.68
Trade payable	671.54	-	-	671.54
Other financial liabilities	612.12	16.41	-	628.53
Total financial liabilities	**1,435.34**	**1,390.67**	**733.97**	**3,559.98**

Collateral

The Company has pledged part of its trade receivables in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered.

Level wise disclosure of financial instruments

(₹ Crores)

Particulars	31st March, 2020	31st March, 2019	Fair value hierarchy	Valuation technique(s) and key input(s)
Investment in Equity Shares measured at FVTOCI	11.20	28.44	Level 1	Quoted Bid Prices in an active market.
Investment in mutual funds measured at FVTOCI	-	0.42	Level 1	Quoted Bid Prices in an active market.
Derivative (Assets)/ Liabilities	(3.41)	2.13	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.

The carrying amount of Trade Receivable, Trade Payable, Capital Creditors, Cash and Cash Equivalents and other Bank Balances are considered to be the same as their fair values due to their short term nature.

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values

Details of Financial assets/ liabilities measured at amortized cost but fair value disclosed in category wise

(₹ Crores)

Particulars	31st March, 2020	31st March, 2019	Fair value hierarchy	Valuation technique(s) and key input(s)
Investment in Optionally Convertible Debentures				
Carrying value	309.00	-	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	309.00	-		
Loans				
Carrying value	272.72	630.50	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	272.72	630.50		
Long term borrowings				
Carrying value	2,348.05	2,259.91	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	2,348.05	2,259.91		

v Foreign currency risk management

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's costs of imports, primarily in relation to raw materials and capital assets . The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency. In order to hedge exchange rate risk, the Company has a policy to hedge its payable up to a specific tenure using forward exchange contracts.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency exposure as at 31st March 2020

Particulars	CHF	USD	EURO	AED	INR	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	72.00	72.00
Bank balances other than cash and cash equivalents	-	-	-	-	1.96	1.96
Trade receivables	-	-	-	-	409.95	409.95
Loans	-	-	-	-	275.54	275.54
Non current investments	-	-	-	179.11	487.04	666.15
Other financial assets	-	-	-	2.99	63.16	66.15
Total financial assets	**-**	**-**	**-**	**182.10**	**1,309.65**	**1,491.75**
Financial liabilities						
Long term borrowings	-	-	-	-	2,006.62	2,006.62
Short term borrowings	-	-	-	-	341.43	341.43
Trade payable	0.03	1.86	2.53	-	779.36	783.78
Other financial liabilities	-	-		-	897.85	897.85
Total financial liabilities	**0.03**	**1.86**	**2.53**	**-**	**4,025.26**	**4,029.68**

Currency exposure as at 31st March 2019

Particulars	CHF	USD	EURO	AED	INR	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	22.20	22.20
Bank balances other than cash and cash equivalents	-	-	-	-	1.05	1.05
Trade receivables	-	-	-	-	392.69	392.69
Loans	-	-	-	104.73	528.68	633.41
Non current investments	-	-	-	22.51	195.69	218.20
Other financial assets	-		-	1.59	61.29	62.88
Total financial assets	**-**	**-**		**128.83**	**1,201.60**	**1,330.43**
Financial liabilities						
Long term borrowings	-	-	-	-	2,108.23	2,108.23
Short term borrowings	-	-	-	-	151.68	151.68
Trade payable	0.02	82.65	0.76	-	588.11	671.54
Other financial liabilities	-	-	18.09	-	610.44	628.53
Total financial liabilities	**0.02**	**82.65**	**18.85**	**-**	**3,458.46**	**3,559.98**

vi Commodity price risk

The Company purchases its raw material in the open market from third parties. The Company is therefore subject to fluctuations in prices for the purchase of Clinker. The Company purchased substantially all of its Clinker from third parties in the open market during the year.

If Clinker import price had been 1 US Dollar higher / lower and all other variables were constant, the company's profit for the year ended 31st March 2020 would decrease / increase by ₹ 4.71 Crores (for the year ended 31st March 2019: decrease / increase by ₹ 1.56 Crores).

35. OTHER NOTES

a) CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF DISPUTED CLAIMS/ LEVIES:

(₹ Crores)

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
i)	Differential Custom duty in respect of Import of Steam Coal	22.50	22.50
ii)	Excise Duty & Service tax credit in respect of capital goods and input services	47.71	53.69
iii)	Cess under the Building and other Constructions Workers Act, 1946	2.00	1.05
iv)	VAT exemption on sales made to SEZ unit	0.05	0.05
v)	Income Tax	0.39	0.05
	Total	**72.65**	**77.34**

b) COMMITMENTS:

(₹ Crores)

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
i)	Estimated amount of Contract remaining to be executed on capital accounts and not provided for (net of advances)	78.33	108.62

c) In the opinion of the Management, the current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the Balance Sheet in the ordinary course of business. Provisions are for all known liabilities and same is adequate and not in excess of what is required.

d) The company is yet to receive balance confirmations in respect of certain Trade Payables, Advances and Trade Receivables. The management does not expect any material difference affecting the amount at which they are stated.

e) Employee Share Based Payments Plans:

The Company has provided share-based payment schemes to its employees. The details of share based payment arrangement are as under:

JSW Cement Employee Stock Ownership Plan 2016

Particulars	Year ended March 31st 2020	Year ended March 31st 2019
Date of Grant:		
1st Grant	1st April 2016	1st April 2016
2nd Grant	1st April 2017	1st April 2017
3rd Grant	1st April 2018	1st April 2018
4th Grant	1st April 2019	
Grants for share of JSW Cement Ltd		
Grants outstanding as at the beginning of the year	20,440,793	8,823,782
Grants given during the year	4,574,887	13,488,024
Grants forfeited during the year	1,344,439	1,871,013
Grants exercised during the year	-	-
Grants outstanding as at end of the year	23,671,241	20,440,793
Vesting period		
1st Grant	From 1st April 2016	From 1st April 2016
	31st March 2017	31st March 2017
2nd Grant	From 1st April 2017	From 1st April 2017
50%	31st March 2020	31st March 2020
Remaining 50%	31st March 2021	31st March 2021
3rd Grant	From 1st April 2018	From 1st April 2018
50%	31st March 2021	31st March 2021

Particulars	Year ended March 31st 2020	Year ended March 31st 2019
Remaining 50%	31st March 2022	31st March 2022
4th Grant	From 1st April 2019	
50%	31st March 2022	-
Remaining 50%	31st March 2023	
Method of settlement	Cash	Cash

The exercise price for the grants are as under:

1) 1st Grant – ₹ 7.59/ grant (40,65,150 grants)

2) 2nd Grant – ₹ 9.62/ grant (41,37,929 grants)

3) 3rd Grant – ₹ 9.50/ grant (108,93,275 grants)

4) 4th Grant – ₹ 10.46/ grant (45,74,887 grants)

Expenses arising from Employees' Share based payment plans debited to Profit & Loss Account ₹ 2.42 Crores (Previous Year ₹ 3.72 Crores)

f) DERIVATIVES: HEDGED CURRENCY RISK POSITION

The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments.

i) The forward exchange contracts entered into by the company and outstanding are as under:

As at	No. of Contracts	Type	USD equivalent (million)	₹ Crores equivalent
31st March,2020	4	Buy	11.62	87.88
31st March,2019	6	Buy	11.95	83.19

ii) The foreign currency exposures that have not been hedged by derivative instruments or otherwise as at Balance Sheet date as given below:

Sr. No	Particulars	EURO equivalent (million)	USD equivalent (million)	₹ Crores equivalent
a)	Pending Capital Commitments			
	As at 31st March 2020	-		-
	As at 31st March 2019	2.33	-	18.09
b)	Supplier's/ Buyers' Credit			
	As at 31st March 2020	-	1.69	12.71
	As at 31st March 2019	-	-	-
c)	Interest Accrued but not due on Suppliers'/ Buyers' Credit			
	As at 31st March 2020	-	0.10	0.75
	As at 31st March 2019	-	0.02	0.16

iii) The foreign currency exposures that have been hedged by derivative instruments or otherwise as at Balance Sheet date are:

Sr. No	Particulars	USD equivalent (million)	₹ Crores equivalent
a)	Import of Raw Material & Fuel		
	As at 31st March 2020	-	-
	As at 31st March 2019	8.70	60.18
b)	Suppliers'/ Buyers' Credit		
	As at 31st March 2020	11.58	87.59
	As at 31st March 2019	3.25	22.47
c)	Interest Accrued but not due on Suppliers'/ Buyers' Credit		
	As at 31st March 2020	0.02	0.16
	As at 31st March 2019	-	-

g) EMPLOYEE BENEFITS:

i) Defined Contribution Plan:

The company operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the company in funds under the control of the trustee. The defined benefit plans are administered by a separate fund that is legally separated from the entity.

ii) Defined Benefit Plans

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58 and 60 without any payment ceiling. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years.

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, Demographic risk and salary risk.

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest Rate Risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
Demographic Risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Salary Escalation Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2020 by external agencies. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

NOTES TO STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

iii) Defined Benefit Plans – Gratuity:

(₹ Crores)

Particulars		As at 31st March 2020 Funded	As at 31st March 2019 Funded
a.	**Changes in Present Value of obligations:**		
	Opening Balance of present value of obligation	7.28	5.71
	Acquisition adjustment		-
	Service Cost	1.60	1.34
	Interest Cost	0.56	0.45
	Actuarial (gain)/loss on obligation	0.59	0.16
	Benefits paid	(0.56)	(0.38)
	Closing Balance	**9.47**	**7.28**
b.	**Fair Value of Plan assets:**		
	Opening Balance of Fair Value of Plan Assets	6.21	4.14
	Expected Return on Plan assets less loss on investments	0.48	0.32
	Actuarial gain / (loss) on Plan Assets	(0.09)	0.05
	Employers' Contribution	1.75	2.08
	Benefits paid	(0.57)	(0.38)
	Closing Balance	**7.78**	**6.21**
c.	**Net Asset/(Liability) recognized in the Balance Sheet:**		
	Present Value of obligations	(9.47)	(7.28)
	Fair Value of plan asset	7.78	6.21
	Net Asset/(Liability) recognized in the Balance Sheet (Refer Note 19)	**(1.69)**	**(1.07)**
d.	**Expenses during the Year:**		
	Service cost	1.60	1.34
	Interest cost	0.56	0.45
	Expected Return on Plan assets	(0.48)	(0.32)
	Component of defined benefit cost recognized in the statement of Profit & Loss	**1.68**	**1.47**
	Component of defined benefit cost recognized in Other comprehensive income	**0.69**	**0.10**
e.	**Break up of Plan Assets as a percentage of total plan assets:**		
	Insurer Managed Funds – Value (99.99%)		
	Bank (0.01%)	**7.78**	**6.21**
f.	**Principal actuarial assumptions:**		
	Rate of Discounting	6.8%	7.7% p.a.
	Rate of increase in salaries	6.0%	6.0% p.a.
	Attrition Rate	2.0%	2.0% p.a.
g.	**Breakup of Plan Assets**		
	HDFC Group Unit Linked Plan - Option B	1.18	1.13
	HDFC Life Stable Management Fund	1.16	1.09
	HDFC Life Defensive Managed Fund	0.62	0.58
	Canara HSBC OBC Life Group Traditional Plan	4.81	3.40
	Bank Balance	0.01	0.01
Total		**7.78**	**6.21**

The Company has created irrevocable trust named "JSW Cement Employees' Gratuity Trust" for providing gratuity benefits to the employees and current year contribution to the trust is ₹ 1.75 Crores (Previous Year ₹ 2.08 Crores).

iv) Experience adjustments

(₹ Crores)

Particulars	As at 31st March, 2020 Funded	As at 31st March, 2019 Funded	As at 31st March, 2018 Funded	As at 31st March, 2017 Funded	As at 31st March, 2016 Funded
Defined Benefit Obligation	9.47	7.28	5.71	4.32	3.49
Plan Assets	7.78	6.21	4.14	3.12	1.86
Deficit	(1.69)	(1.07)	(1.57)	(1.20)	(1.63)
Experience Adjustments on Plan Liabilities-Loss/(Gain)	(0.30)	0.08	0.61	0.15	0.09
Experience Adjustments on Plan Assets-Loss/(Gain)	0.09	(0.05)	(0.01)	(0.10)	0.03

a) The Company expects to contribute ₹ 3.62 Crores to its gratuity plan for the next year.

b) In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC Ultimate Tables 2006-08.

c) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

d) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

e) Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of obligation after considering several applicable factors such as composition of plan assets, investment strategy, market scenario etc.

v) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ Crores)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(8.48)	10.64	(6.57)	8.11
Future salary growth (1% movement)	10.64	(8.47)	8.12	(6.56)
Attrition rate (50% attrition rate)	9.49	(9.44)	7.35	(7.20)
Mortality rate (10% mortality rate)	9.47	9.47	7.29	(7.28)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same as that applied in calculating the defined benefit obligation recognised in Balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

vi) Maturity Profile of Defined Benefit Obligation

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Weighted average duration (based on discounted cash-flows)	12 Years	11 Years
1 Year	0.41	0.62
2 to 5 Year	2.25	1.75
6 to 10 Year	3.87	3.22
More than 10 Years	17.60	14.52

vii) Provident Fund:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Company's provident fund contribution, in respect to employees, is made to a government administered fund and are recognized as expenses during the period in which the employees perform the services that the payment covers.

Company's contribution to Provident Fund recognized in statement of Profit and Loss ₹ 4.03 Crores (Previous Year ₹ 3.46 Crores). (refer note 30)

Company's contribution to ESIC recognized in statement of Profit and Loss ₹ 0.02 Crores (Previous Year ₹ 0.02 Crores). (refer note 30)

viii) Compensated Absences

Assumptions used in accounting for compensated absences

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Present value of obligation	8.41	6.31
Expense recognized in Statement of Profit or loss	3.07	2.26
Discount rate (p.a.)	6.80%	7.70%
Salary escalation (p.a.)	6.00%	6.00%

h) SEGMENT REPORTING:

The Company is primarily in the business of manufacturing and sale of cement and cement related product. As per IND AS 108 "Operating Segments" specified under Section 133 of the Companies Act 2013, there are no other reportable business applicable to the company.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below.

`

a) Revenue from operations

(₹ Crores)

Particulars	For Year ended 31st March 2020	For Year ended 31st March 2019
Within India	2,761.20	2,642.73
Outside India	-	4.60
Total	**2,761.20**	**2,647.33**

Revenue from operations have been allocated on the basis of location of customers.

b) Non-current operating assets

All non –current assets of the Company are located in India.

I) RELATED PARTIES DISCLOSURE AS PER INDIAN ACCOUNTING STANDARD IND AS-24:

A) List of Related Parties

1.	**Holding Company**
	Adarsh Advisory Service Private Limited
2.	**Subsidiary Company**
	JSW Cement FZE
	Shiva Cement Limited
	Utkarsh Transport Private limited
	JSW Green Cement Private limited
3.	**Enterprises under common control/ exercising significant influence with whom the company has entered into transactions during the year**
	JSW Steel Limited
	JSW Energy Limited
	JSoft Solutions Limited
	JSW Power Trading Company Limited (Formerly known as JSW Green Energy Limited)
	JSW Steel Coated Products Limited
	JSW Techno Projects Management Limited
	Amba River Coke Limited
	Dolvi Coke Project Limited
	JSW International Tradecorp PTE Limited

	JSW Bengal Steel Limited
	JSW Steel (Salav) Limited
	Descon Limited
	JSW Dharamtar Port Private Limited
	JSW Global Business Solutions Limited (formerly known as Sapphire Technologies Limited)
	South-West Mining Limited
	JSW IP Holdings Private Limited
	Gopal Traders Private Limited
	JSW Foundation
	JSW Realty and Infrastructure Private Limited
	JSW Projects Limited
	JSW Severfield Structures Limited
	Art India Publishing Company Private Limited
	Tranquil Homes & Holdings Private Limited
	JSW Jaigarh Port Limited
	JSW Paints Private Limited
	JSW Structural Metal Decking
	Sajjan Jindal Family Trust
	JTPM Metal Traders Private Limited
	JSW GMR Cricket Private Limited
	JSW Bengaluru Football Club
	JSW Sports Private Ltd
4	**Key Managerial Personnel**
	Mr. Parth Jindal (Managing Director)
	Mr. Nilesh Narwekar (Whole Time Director & CEO)
	Mr. Narinder Singh Kahlon (Director finance & Chief Financial Officer)
	Mr. Rahul Dubey (Company secretary) up to 12 February 2020
	Ms. Sneha Bindra (Company Secretary)

B) Nature of transactions*:

(₹ Crores)

Transactions during the Year	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Purchase of Goods/ Power & Fuel/ Services:		
JSW IP Holdings Private Limited	8.14	2.94
JSW Steel Limited	62.32	84.29
JSW Energy Limited	120.72	79.87
JSW Steel Coated Products Limited	2.47	1.22
South – West Mining Limited	0.03	-
JSW International Tradecorp PTE Limited	93.84	41.53
JSW Dharamtar Port Private Limited	6.26	7.92
JSW Power Trading Company Limited	7.80	17.29
Amba River Coke Limited	11.58	8.13
JSW Global Business Solutions Limited	7.47	7.02
Shiva Cement Limited	11.30	11.01
Art India Publishing Company Private Limited	-	0.05
Utkarsh Transport Private Limited	10.83	4.48
JSW GMR Cricket Private Limited	0.09	-
JSW Bengaluru Football Club	0.00	-
JSW Sports Private Limited	0.49	-
	343.34	**265.75**
Lease rent paid:		
JSW Steel Limited	3.08	2.95
JSW Bengal Steel Limited	1.74	1.49
Descon Limited	1.12	0.88
JSW Realty and Infrastructure Private Limited	0.37	0.27
Tranquil Homes & Holdings Private Limited	0.52	0.49
Shiva Cement Limited	0.01	0.01
	6.84	**6.09**
Lease Rent Received:		
JSW Steel Limited	-	5.81
	-	**5.81**
Donation/ CSR expense:		
JSW Foundation	2.02	0.15
	2.02	**0.15**

NOTES TO STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(₹ Crores)

Transactions during the Year	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Purchase of Assets:		
JSW Steel Limited	-	12.39
	-	**12.39**
Reimbursement of expenses:		
JSW Steel Limited	12.26	9.31
JSW Bengal Steel Limited	-	0.83
JSW Realty and Infrastructure Private Limited	0.04	0.03
JSW Energy Limited	0.89	0.63
JSW Foundation	0.06	0.30
Descon Limited	-	0.02
	13.25	**11.12**
Sales of Goods :		
JSW Steel Limited	215.44	186.08
JSW Steel Coated Products Limited	19.48	25.70
JSW Energy Limited	0.77	1.98
Amba River Coke Limited	1.16	0.38
Dolvi Coke Project Limited	3.43	14.50
JSW Dharamtar Port Private Limited	0.64	0.03
JSW Techno Projects Management Limited	0.38	1.13
JSW Steel (Salav) Limited	0.04	0.07
JSW Severfield Structures Ltd.	1.57	0.30
JSW Jaigarh Port Limited	0.16	0.31
JSW Projects limited	0.21	0.08
JSW Foundation	0.09	0.01
JSW Realty & Infrastructure Private Limited	3.94	1.68
Shiva Cement Limited	0.58	0.31
Gopal Traders Private Limited	0.03	0.02
JSW Paints Private Limited	2.72	4.95
	250.64	**237.53**
Interest income on Loan/Deposit given to		
JSW Global Business Solutions Limited	0.33	0.41
Shiva Cement Limited	13.86	14.40
Reynolds Traders Private Limited	-	0.31
JSW Cement FZE	1.40	1.59
JSW Sports Private Limited	26.94	23.75
Utkarsh Transport Private Limited	0.49	0.25
Sajjan Jindal Family Trust	-	0.02
JSW Green Cement Private Limited	0.03	-
JSW Steel Limited	0.16	0.12
JSW Energy Limited	0.23	-
	43.44	**40.85**
Guarantee Commission Income:		
JSW Cement FZE	0.03	-
	0.03	**-**
Recovery of expenses:		
JSW Energy Limited	1.26	0.83
JSW Bengal Steel Ltd	0.59	0.17
Utkarsh Transport Private Limited	0.13	-
JSW Green Cement Private Limited	0.65	-
	2.63	**1.00**
Purchase of Equity Share:		
JSW Cement FZE (through loans conversion)	151.03	7.69
JSW Cement FZE (Corporate Guarantee obligation)	5.57	-
Utkarsh Transport Private Limited	-	1.01
JSW Green Cement Private Limited	0.01	-
Shiva Cement Limited	-	3.56
JSW Energy Limited	5.54	-
	162.15	**12.26**

(₹ Crores)

Transactions during the Year	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Investment in 9% Optionally Convertible Debenture:		
JSW Sports Private Limited	309.00	-
	309.00	**-**
Deposit given		
JSW Steel Limited	-	10.32
JSW Realty and Infrastructure Private Limited	1.09	0.90
JSW Power Trading Company Limited	0.20	-
	1.29	**11.22**
Loan given		
JSW Sports Private Limited	10.00	206.25
Shiva Cement Limited	16.20	14.77
Utkarsh Transport Private Limited	9.64	4.79
Sajjan Jindal Family Trust	-	9.00
JSW Green Cement Private Limited	2.05	
JSW Cement FZE	46.30	104.73
JTPM Metal Trader Private Limited	20.00	-
	104.19	**339.54**
Loan Given- Received Back		
JSW Global Business Solutions Limited	1.32	-
Sajjan Jindal Family Trust	-	9.00
Shiva Cement Limited	4.50	6.97
Utkarsh Transport private limited	5.70	10.00
Reynolds Traders Private Limited	-	2.89
JSW Sports Private Limited ***	285.00	-
JSW Cement FZE**	151.03	-
	447.55	**28.86**

* Amount includes duties and taxes

** The figures represent conversion of loan into equity Shares of JSW Cement FZE

*** The figures represent conversion of loan into Debentures of JSW Sports Private Limited

Compensation to Key Management Personnel

(₹ Crores)

Particulars	FY 2019-20	FY 2018-19
Short-term employee benefits	9.62	7.14
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	**9.62**	**7.14**

1. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

Terms and Conditions

Sales:

The sales to related parties are in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31st March 2020, the Company has not recorded any loss allowances of trade receivable from related parties.

Purchases:

The purchases from related parties are in the ordinary course of business. Purchase transactions are based on normal commercial terms and conditions and market rates.

Loan to Related Party:

a) **Loan to subsidiary –**

The Company had given loans to subsidiaries for general corporate purposes. The loan balances as at March 31, 2020 was Amounting ₹ 160.04 Crores. These loans are unsecured and carry an interest rate 9.00%- 9.75% per annum.

b) **Loans to other related parties-**

The Company had given loans to other related parties for general corporate purposes. The loan balances as at March 31, 2020 was Amounting ₹ 22.43 Crores. These loans are unsecured and carry an interest rate 9.5%- 11.00% per annum.

Lease Rent paid to Related Party:

For Vijayanagar Plant-

Lease rent paid to JSW Steel Limited Vijaynagar works towards construction on lease land under sub-lease agreements, for 150 Acres of land situated at Tornagallu village, District Bellary Karnataka at an annual rent of ₹ 0.60 Crores.

For Dolvi Plant-

Lease rent paid to JSW Steel Limited, Dolvi Works towards construction, for 20.55 Acres of land situated at Dolvi, District Raigad, Maharashtra at an annual rent of ₹ 2.30 Crores.

The Company had entered into arrangement with JSW Bengal Steel Limited to take on rent Guest House & accommodation facility for business purpose amounting to ₹ 1.47 Crores for period of 10 years, renewable at option of both the parties.

The Company had entered into arrangement with JSW Reality Infrastructure Private Limited for period of 25 years to take on rent accommodation facility for business purpose in its integrated township amounting to ₹ 0.41 Crores, renewable at option of both the parties.

For Rent Received from JSW Steel limited (Dolvi)

The Company had entered into lease arrangement for renting machinery with JSW Steel amounting to ₹ Nil Crores (previous year: ₹ 5.81 Crores) for a period of one year.

C) Closing balances:

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade Payables:		
JSW Steel Limited	6.99	13.18
JSW Energy Limited	77.58	35.36
JSoft Solutions Limited	-	0.66
South – West Mining Limited	0.00	0.00
Amba River Coke Limited	2.08	1.37
JSW Power Trading Company Limited	0.46	-
JSW Global Business Solutions Limited	1.34	1.68
JSW IP Holding Private Limited	3.52	1.11
JSW Dharamtar Port Private Limited	5.53	1.98
Utkarsh Transport private limited	0.01	1.90
Shiva Cement Limited	0.18	0.07
JSW Realty and Infrastructure Private Limited	0.17	0.59
Tranquil Homes & Holding Private Limited	0.08	0.11
JSW Steel Coated Products Ltd.	0.00	-
JSW Foundation	0.12	-
JSW International Tradecorp PTE Ltd.	0.12	
Descon Limited	0.13	-
	98.31	**58.01**
Deposit Given		
JSW Bengal Steel Limited	2.50	2.50
JSW IP Holdings Private Limited	0.10	0.10
JSW Steel Limited	10.32	10.32
JSW Realty and Infrastructure Private Limited	1.98	0.90
	14.90	**13.82**
Advances Given		
JSW Steel Coated Products Limited	0.04	0.05
JSW Power Trading Company Limited	1.66	1.87
JSW Bengal Steel Limited	0.04	0.20

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Descon Limited	-	0.14
JSW Foundation	0.35	-
JSW Power Trading Company Limited	0.32	-
JSW Steel Limited	13.31	-
	15.72	**2.26**
Trade Receivables:		
JSW Steel Limited	70.57	81.25
JSW Steel Coated Products Limited	8.90	1.71
JSW Jaigarh Port Limited	0.16	0.34
Dolvi Coke Project Limited	0.67	4.08
Amba River Coke Limited	0.86	0.29
JSW Steel (Salav) Limited	-	0.01
JSW Techno Projects Management Limited	0.11	0.58
JSW Dharamtar Port Private Limited	0.62	0.30
JSW Foundation	0.10	0.01
JSW Realty and Infrastructure Private Limited	-	1.04
JSW Severfield Structures Limited	0.26	0.26
Gopal Traders private limited	0.01	0.01
JSW Projects limited	0.13	0.08
JSW Paints Private Limited	0.29	0.59
	82.68	**90.55**
Investments held by the Company		
JSW Energy Limited	11.20	17.31
Shiva Cement Limited	165.82	165.82
JSW Steel Limited	-	11.13
JSW Cement FZE	179.11	22.51
JSW Sports Private Limited	309.00	-
Utkarsh Transport Private Limited	1.01	1.01
JSW Green Cement Private limited	0.01	-
	666.15	**217.78**
Advance Received		
JSW Realty and Infrastructure Private Limited	0.02	-
JSW Energy Limited	0.18	-
	0.20	**-**
Other Receivables		
JSW Steel Limited	8.42	5.81
JSW Cement FZE	0.32	0.32
JSW Green Cement Private Ltd	0.43	-
	9.17	**6.13**
Corporate Guarantee issued on behalf of JSW Cement FZE	**271.63**	**-**
Loan given		
JSW Global Business Solutions Limited	2.43	3.75
Shiva Cement Limited	149.25	137.55
Utkarsh Transport Private limited	8.73	4.79
JSW Cement FZE	-	104.73
JSW Sports Private Limited	-	275.00
JTPM Metal Trader Private Limited	20.00	-
JSW Green Cement Private Limited	2.05	-
	182.46	**525.82**
Interest receivable on Loan given		
Utkarsh Transport Private Limited	0.66	0.22
JSW Global Business Solutions Limited	-	0.47
Shiva Cement Limited	33.64	21.17
JSW Cement FZE	2.99	1.59
JSW Sports Private Limited	0.25	21.72
Sajjan Jindal Family Trust	0.02	0.02
JTPM Metal Trader Private Limited	0.02	-
JSW Green Cement Private Limited	0.03	-
	37.61	**45.19**

J) LEASE:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

Operating leases

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right-of-use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics. On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount and discounted using the lessee's incremental borrowing rate as at April 1, 2019. Accordingly, a right-of-use asset of ₹ 238.00 Crores (As at April 01, 2019) and a corresponding lease liability of ₹ 214.16 Crores (as on March 31st, 2020) has been recognized. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 9.5% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

Consequently in the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease "Rent" under "Other expenses" in previous period to "Depreciation and amortisation expense" for the right of use assets and "Finance cost" for interest accrued on lease liability. As a result, the "Rent", "Depreciation and amortization expense" and "Finance cost" of the current period is not comparable to the earlier periods

Company as a lessor

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application.

The details of the right-of-use asset held by the Company is as follows

(₹ Crores)

	Additions for the year ended 31st Mar 2020	Net carrying amount as at March 2020
Leasehold land	23.68	21.22
Leasehold property	30.50	23.16
Power plant	183.82	178.92
Total	**238.00**	**223.30**

Depreciation on right to use assets is as follows:

(₹ Crores)

	Year ended 31st March 2020
Leasehold land	2.46
Leasehold property	7.34
Power plant	4.90
Total	**14.70**

Interest on right to use assets is as follows:

(₹ Crores)

	Year ended 31st March 2020
Leasehold land	1.17
Leasehold property	2.40
Power plant	11.56
Total	**15.13**

The Company incurred ₹ 1.29 Crores for the year ended March 31st, 2020 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 31.39 Crores for the year ended March 31st, 2020, including cash outflow for short term and low value leases. The Company has lease term extension options that are not reflected in the measurement of lease liabilities. Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

Ind AS 116 in its transition provision permits not to apply this Standard to contracts that were contracts not previously identified as containing a lease applying Ind AS 17 and gone ahead with what was concluded in FY 2019. Hence, in light of above, Company has availed this exemption with respect to the long term Power Purchase Agreement (PPA) entered by Company for power with Solar PV plants

k) i) Income tax expense:

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31st. For each fiscal year, the company's profit or loss is subject to the higher of the regular income tax payable or the minimum alternative tax ("MAT")

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for investment allowance, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 30% plus a surcharge and education cess. MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2019-20 is 17.47%. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Current tax:		
Current Tax	42.56	36.96
Earlier year tax provision	0.10	-
Deferred tax:		
Deferred Tax (Asset) / Liability	84.04	55.06
Minimum Alternate Tax Credit Entitlement	(42.66)	(36.96)
Total deferred tax	**41.38**	**18.10**
Total tax expense	**84.04**	**55.06**

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

(₹ Crores)

Particular	For the Year	
	31st March 2020	31st March 2019
Profit Before Tax	246.03	173.52
Enacted Tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	**85.97**	**60.63**
Tax effect of:		
Income exempt from taxation	(0.14)	-
Expense not deductible in determining taxable profit	56.22	41.17
Expense allowed in determining taxable profit	(108.95)	(130.48)
Increase/(reversal) of Unabsorbed Depreciation	(33.10)	28.68
Total Tax effect	**(85.97)**	**(60.63)**
Deferred tax on account of		
Property, Plant & Equipment & Other Intangible Asset	139.94	50.78
(Increase)/reversal of Unabsorbed Depreciation	22.93	(52.78)
Financial Assets, Liabilities and Other Item	(78.58)	4.28
Deferred Tax	**84.28**	**55.06**
Deferred tax on OCI	**(0.24)**	**(0.04)**
Tax Expense recognised in Statement of Profit and Loss	**84.04**	**55.02**
Effective Tax Rate	**34.16%**	**31.71%**

There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matter (refer note 35a).

Deferred tax assets / liabilities

Significant component of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Deferred Tax (Liability)/ Asset (Net)	(209.73)	(125.70)
MAT Credit entitlement	164.52	121.86
Balance at the end of the year	**(45.21)**	**(3.84)**

Deferred Tax comprises of timing differences on account of:

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Deferred Tax Liabilities		
Depreciation	(557.59)	(417.65)
Amortised cost of Borrowing & payable for capital project	70.84	(5.23)
	(486.75)	**(422.89)**
Deferred Tax Assets		
Expense allowable on payment basis	2.98	7.67
Provision for doubtful debts	0.41	0.18
Unabsorbed depreciation and business loss	266.64	298.57
Others	6.99	(0.27)
	277.02	**297.15**
Deferred Tax Asset/ (Liability) (net)	**(209.73)**	**(125.74)**

Movement in MAT Credit entitlement

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Balance at the beginning of the year	121.86	85.71
Add: MAT credit entitlement availed during the year	42.56	36.96
Less: Reversal of MAT credit entitlement	-	(0.81)
Add: MAT credit pertaining to earlier year	0.10	-
Balance at the end of the year	**164.52**	**121.86**

Deferred tax assets on carry forward business loss/unabsorbed depreciation have been recognised to the extent of deferred tax liability on taxable temporary differences available. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax asset.

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The

Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

l) REMUNERATION TO AUDITORS

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Audit Fees		
Statutory Audit	0.30	0.30
Certification & Out of pocket expenses	0.01	0.03
Total	**0.31**	**0.33**

m) EARNINGS PER SHARE (EPS):

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i. Profit attributable to Equity holders of Company

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Profit attributable to equity holders of the Company:	161.75	118.46
Profit attributable to equity holders of the Company for basic earnings	161.75	118.46
Profit attributable to equity holders of the Company adjusted for the effect of dilution	**161.75**	**118.46**

ii. Weighted average number of Equity shares

(₹ Crores)

Particulars	31st March 2020 Nos	31st March 2019 Nos
Issued ordinary shares at April 1	986,352,230	986,352,230
Effect of shares issued for cash	-	
Weighted average number of shares at March 31st for basic EPS	**986,352,230**	**986,352,230**

iii. Effect of Dilution

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Share Application Money	-	-
Convertible preference shares	-	-
Convertible debentures	-	-
Weighted average number of shares at March 31st	**986,352,230**	**619,338,168**

iv. Basic and Diluted earnings per share

(₹ Crores)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Basic earnings per share: (i/ii)	1.64	1.20
Diluted earnings per share: (i/iii)	1.64	1.20

n) REVENUE RECOGNISED FROM CONTRACT LIABILITY (ADVANCES FROM CUSTOMERS):

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Closing Balance of Contract Liability	**12.26**	**11.80**

The contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31st, 2020

NOTES TO STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

o) DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

The Company has incurred an amount of ₹ 3.82 Crores (31st March 2019 ₹ 4.63) towards Corporate social responsibility (CSR) as per Section 135 of the Companies Act, 2013 and is included in other expenses

(₹ Crores)

Particulars	As at 31st March 2020	As at 31st March 2019
Amount required to be spent as per Section 135 of the Act	3.26	2.91
Amount spend during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	3.82	4.63
Total	**3.82**	**4.63**

p) DISCLOSURE PERTAINING TO MICRO, SMALL AND MEDIUM ENTERPRISES (AS PER INFORMATION AVAILABLE WITH THE COMPANY):

(₹ Crores)

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
1	Principal amount due outstanding as at 31st March	6.15	4.77
2	Interest due on (1) above and unpaid as at 31st March	0.09	-
3	Interest paid to the supplier	-	-
4	Payments made to the supplier beyond the appointed day during the year	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid as at 31st March	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

q) CORPORATE GUARANTEE

The Company has issued corporate guarantee to bank on behalf of and in respect of loan facilities availed by JSW Cement FZE.

Terms of the Guarantee:

Unconditional and Irrevocable Corporate Guarantee is issued by Company in favour of lender Indusind Bank Limited as a security towards credit facility provided to subsidiary JSW Cement FZE (Borrower) along with interest, liquidated damages, costs, charges, expenses and all other monies whatsoever payable by Borrower. Of the total amount of Guarantee provided, ₹ 271.63 Crores is utilized against loan drawn (refer note 35 (i))

Refer below for details of corporate guarantee issued:

(₹ Crores)

	As at 31st March 2020
Guarantees	580.47
Total	**580.47**

r) DETAILS OF LOANS, GUARANTEES AND INVESTMENTS COVERED UNDER THE PROVISIONS OF SECTION 186 OF THE ACT

(₹ Crores)

Particulars	Party	2019-20		2018-19	
		Max amount O/s during the year	Closing Balance	Max amount O/s during the year	Closing Balance
Loan given	Utkarsh Transport Private Limited	8.72	8.72	10.06	4.79
	JSW Global Business Solutions Private Limited	3.02	2.42	3.75	3.75
	Reynolds Traders private limited	-	-	2.89	-
	JTPM Metal Traders Private Ltd	20.00	20.00	-	-
	Monnet Ispat & Energy limited	25.11	25.11	26.25	25.11
	Jindal Steel and Power Limited	21.57	20.37	22.77	21.57
	Jasani Realty Private limited	57.17	42.76	55.97	55.97
	JSW Green Cement Private Limited	2.05	2.05	-	-
	JSW Cement FZE	153.84	-	104.73	104.73
	Shiva Cement Limited	149.25	149.25	138.16	137.55
	JSW Sports Private Limited	285.00	-	275.00	275.00
Total		**725.73**	**270.68**	**639.58**	**628.47**

(₹ Crores)

Particulars	Party	2019-20		2018-19	
		Max amount O/s during the year	Closing Balance	Max amount O/s during the year	Closing Balance
Investments	JSW Energy Limited	-	11.20	-	17.31
	JSW Steel Limited	-	-		11.13
	Shiva Cement Limited	-	165.82	-	165.82
	JSW Sports Private Limited	-	309.00	-	-
	JSW Green cement private limited	-	0.01	-	-
	Utkarsh Transport Private limited	-	1.01	-	1.01
	JSW Cement FZE	-	179.11	-	22.51
Total		**-**	**666.15**	**-**	**217.78**
Guarantees	JSW Cement FZE	-	580.47		-
Total		**-**	**580.47**	**-**	**-**

Details of investment made by the Company are given under note 6.

s) Previous year figures have also been reclassified/ regrouped, wherever necessary, to conform to current year's classification.

t) The Financial Statements have been adopted by the Board on May 23, 2020 and signed on May 29, 2020. During the period of adoption and signing of Financial Statements there has been no change in the Financial Statements.

As per our attached report of even date
For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 20144084AAAABG1670

Place: Mumbai
Date: 29th May, 2020

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Sneha Bindra
Company Secretary

INDEPENDENT AUDITORS' REPORT

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

To the Members of JSW Cement Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **JSW Cement Limited** ("the Holding Company"), and its subsidiaries (the Holding company and its subsidiaries together referred to as "the Group"), comprising of consolidated Balance sheet as at March 31st, 2020, the consolidated Statement of Profit and Loss including other comprehensive income, consolidated Statement of Cash Flows and consolidated Statement of Changes in Equity and for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements / financial information of the subsidiaries referred to in sub – paragraph (a) of the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31st, 2020 and their consolidated profit including other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

› Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

› Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

› Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

› Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

› Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

› Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

a. We did not audit the financial statements / financial information of 3 subsidiaries, whose financial statements / financial information reflect total assets of ₹ 450.57 Crores as at March 31st, 2020, total revenues of ₹ 23.71 Crores and net cash inflows / (outflows) amounting to ₹ 0.09 Crores for the year ended on that date as considered in the consolidated financial statements whose financial statements / financial information have not been audited by us. These financial statement / financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

b. The consolidated financial statements include a subsidiary incorporated outside India. Its unaudited standalone financial statements are provided by the Management by translating to the Indian Accounting Standards prescribed under section 133 of the Act. The consolidated financial statements reflect total assets of ₹ 691.53 Crores as at March 31st, 2020, total revenues of ₹ 144.56 Crores and net cash inflows / (outflows) amounting to ₹ 26.13 Crores for the year ended on that date, as considered in the consolidated financial statements. We have relied on the standalone financial statements provided to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based on the Management certified standalone financial statements.

Our opinion on the above consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section (3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   a. We / the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of other auditors.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e. On the basis of the written representations received from the directors of the Holding Company as on March 31st, 2020 taken on record by the Board of Directors of the Holding Company and reports of the other statutory auditors who are appointed under section 139 of the Act, of its subsidiary companies, none of the directors of the Group companies is disqualified as on March 31st, 2020 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.

   f. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure A" to this report.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended:

      In our opinion and based on the consideration of report of other statutory auditor of the subsidiary companies incorporated in India, the managerial remuneration for the year ended March 31st, 2020 has been paid / provided by the Holding Company and its subsidiary companies incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule (V) to the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 35(a) to the consolidated financial statements.

   ii. The Group did not have any long-term contracts including derivative contracts as at March 31st, 2020 for which there were any material foreseeable losses; and.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India.

For HPVS & Associates
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
M. No. 144084
UDIN: 20144084AAAABH2124

Place: Mumbai
Date: 29th May, 2020

APPENDIX A
TO THE INDEPENDENT AUDITORS' REPORT

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section (3) of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

In conjunction with our audit of the consolidated financial statements of JSW Cement Limited as of and for the year ended March 31st, 2020, we have audited the internal financial controls over financial reporting of JSW Cement Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31st, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its Subsidiary Companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

A Company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

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

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to the Subsidiary Companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For HPVS & Associates
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
M. No. 144084
UDIN: 20144084AAAABH2124

Place: Mumbai
Date: 29th May, 2020

CONSOLIDATED BALANCE SHEET

AS AT 31st MARCH, 2020

(₹ Crores)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	3,055.88	2,839.98
(b) Capital work-in-progress	5.6	919.58	391.48
(c) Other intangible assets	5A	20.09	21.68
(d) Intangible assets under development	5B	0.35	0.27
(e) Goodwill	35q	217.30	217.30
(f) Financial assets			
(i) Investments	6	320.20	28.86
(ii) Loans	7	5.18	38.73
(iii) Other financial assets	8	5.95	0.10
(g) Deferred tax assets(net)	9	33.32	24.36
(h) Income tax assets (net)	10	4.47	5.92
(i) Other non-current assets	11	235.81	258.79
Total non-current assets		**4,818.13**	**3,827.47**
Current assets			
(a) Inventories	12	459.15	279.71
(b) Financial assets			
(i) Trade receivables	13	423.69	395.57
(ii) Cash and cash equivalents	14	87.46	33.76
(iii) Bank balances other than (ii) above	15	26.73	3.50
(iv) Loans	7	111.77	347.65
(v) Other financial assets	8	29.13	40.58
(c) Other current assets	11	246.64	243.22
Total current assets		**1,384.57**	**1,343.99**
Total assets		**6,202.70**	**5,171.46**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	986.35	986.35
(b) Other equity	17	539.54	367.12
Equity attributable to owners of the Company		**1,525.89**	**1,353.47**
(c) Non controlling interest		2.83	13.44
Total Equity		**1,528.72**	**1,366.91**
Non current Liabilities			
(a) Financial liabilities			
(i) Borrowings	18	2,183.58	2,120.04
(ii) Other financial liabilities	19	222.32	16.47
(b) Provisions	20	37.88	33.81
(c) Deferred tax liabilities (net)	9	45.21	3.83
Total non-current liabilities		**2,488.99**	**2,174.15**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	347.26	151.68
(ii) Trade payables			
Total outstanding dues of Micro enterprises and small enterprises	22	6.15	4.77
Total outstanding dues of creditors other than Micro enterprises and small enterprises	22	781.63	723.70
(iii) Other financial liabilities	23	990.10	664.09
(b) Other current liabilities	24	59.53	86.16
(c) Provisions	20	0.32	-
Total current liabilities		**2,184.99**	**1,630.40**
Total liabilitites		4,673.98	**3,804.55**
Total equity and liabilities		**6,202.70**	**5,171.46**

See accompanying notes to the consolidated financial statement

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 20144084AAAABH2124

Place: Mumbai
Date: 29th May, 2020

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Sneha Bindra
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31st MARCH, 2020

(₹ Crores)

	Particulars	Note No.	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
I	Revenue from operations	25	2,927.51	2,722.23
	Sale of product		**2,927.51**	**2,722.23**
II	Other income	26	40.36	49.56
III	**Total Income (I+ II)**		**2,967.87**	**2,771.79**
IV	**Expenses**			
	Cost of raw material consumed	27	696.66	671.86
	Purchases of stock in trade	28	-	2.13
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	29	(54.84)	0.22
	Employee benefits expense	30	175.24	148.43
	Power and fuel		404.74	446.39
	Freight and handling expenses		668.71	642.75
	Other expenses	31	437.70	379.81
			2,328.21	**2,291.59**
	Less: Captive consumption		(2.51)	(9.90)
	Total Expenses (IV)		**2,325.70**	**2,281.69**
V	**Earnings before interest, tax, depreciation and amortisation (EBITDA) (III - IV)**		**642.17**	**490.10**
VI	Finance costs	32	267.73	237.05
VII	Depreciation and amortization expense	33	144.66	116.13
VIII	**Profit before tax (V-VI-VII)**		**229.78**	**136.92**
	Tax expenses			
IX	**Total tax expenses**	35 j	75.47	**46.61**
X	**Profit for the year (VIII - IX)**		**154.31**	**90.31**
XI	**Other comprehensive income**			
A	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the defined benefit plans		(0.95)	(0.12)
	(b) Equity instruments through other comprehensive income		(10.32)	(0.02)
	ii) Income tax relating to items that will not be reclassified to profit or loss		0.31	0.05
	Total (A)		**(10.96)**	**(0.09)**
B	ii) Items that will be reclassified to profit or loss			
	(a) Foreign currency translation reserve		16.34	(0.20)
	Total (B)		**16.34**	**(0.20)**
	Total other comprehensive income/(loss) (X + XI)		**159.69**	**90.02**
	Total Profit /(loss) for the year attributable to:			
	- owners of the Company		164.71	99.99
	- Non - controlling interest		(10.40)	(9.69)
	Total		**154.31**	**90.30**
	Other comprehensive income/(loss) for the year attributable to:			
	- owners of the Company		5.47	(0.28)
	- Non - controlling interest		(0.09)	(0.00)
	Total		**5.38**	**(0.28)**
	Total Comprehensive income/ (loss) for the year attributable to:			
	- owners of the Company		170.18	99.71
	- Non - controlling interest		(10.49)	(9.69)
	Total		**159.69**	**90.02**
XII	**Earnings per equity share (face value of ₹ 10/- each)**			
	- Basic (In ₹)	35l	1.56	0.92
	- Diluted (In ₹)		1.56	0.92

See accompanying notes to the consolidated financial statement

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 20144084AAAABH2124

Place: Mumbai
Date: 29th May, 2020

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Sneha Bindra
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st MARCH, 2020

(₹ Crores)

	Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
A.	**CASH FLOWS FROM OPERATING ACTIVITIES:**		
	PROFIT BEFORE TAX	**229.78**	**136.92**
	Adjustments for:		
	Interest income	(32.42)	(35.08)
	Unwinding of interest on financial assets carried at amortised cost	(0.76)	(0.56)
	Dividend on long-term investments	(0.39)	(0.12)
	Government incentive	(44.91)	(37.92)
	Gain on sale of current investments	-	(1.22)
	Loss/ (Gain) on sale of Property, plant and equipment	0.02	1.33
	Write back of excess provision	(4.66)	(6.15)
	Mines restoration provision	2.32	2.70
	Share based payment	2.42	3.72
	Provision for doubtful debts	1.32	0.05
	Unrealised foreign exchange gain / (loss)	3.32	0.45
	Depreciation and amortisation expense	144.66	116.14
	Interest costs on borrowings	267.73	237.04
	Operating profit before working capital changes	**568.44**	**417.30**
	Movements in Working Capital:		
	(Increase) in Trade receivables	(29.45)	(227.40)
	(Increase) in Inventories	(179.45)	(50.33)
	(Increase) Loans & advances*	269.42	(50.96)
	(Increase) / Decrease financial assets	(13.38)	43.67
	(Increase) / Decrease Other assets*	47.40	36.34
	Increase in Trade payables	56.00	222.11
	Increase Other liabilities*	24.08	87.50
	Cash flow used in Operations	**743.06**	**478.23**
	Income taxes paid (net)	(44.04)	(36.03)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	**699.02**	**442.20**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of property, plant and equipment including capital advances	(553.87)	(629.61)
	Proceeds from sale of property, plant and equipment	0.05	-
	Interest received	28.15	15.51
	Investment in associate & subsidiary	(84.63)	(5.42)
	Dividend on long-term investments	0.39	0.12
	Gain/(loss) on Purchase/Sale of current investments	12.89	1.22
	Loan given to related party (net)	(185.28)	(206.25)
	NET CASH USED IN INVESTING ACTIVITIES	**(782.30)**	**(824.43)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from issue of equity share capital	-	-
	Proceeds from non-current borrowings	453.11	672.01
	Repayment of non-current borrowings	(241.31)	(156.79)
	Proceeds from current borrowings	195.58	(152.87)
	Interest paid on borrowings	(247.17)	(237.40)
	NET CASH GENERATED FROM FINANCING ACTIVITIES	**160.21**	**124.95**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**76.93**	**(257.28)**
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**37.26**	**294.54**
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR [Refer Note 14 and 15]	**114.19**	**37.26**

* * Includes current/ non-current

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st MARCH, 2020

Reconciliation forming part of cash flow statement

(₹ Crores)

Particulars	1st April, 2019	Cash Flow (net)	Others	31st March, 2020
Borrowings (non-current) (including current maturities of long-term borrowings included in other financial liabilities)	2,408.82	211.80	78.48	2,699.10
Borrowings Current	151.68	195.58	-	347.26

Particulars	1st April, 2018	Cash Flow (net)	Others	31st March, 2019
Borrowings (non-current) (including current maturities of long-term borrowings included in other financial liabilities)	1,893.78	515.22	(0.18)	2,408.82
Borrowings Current	304.55	(152.87)	-	151.68

Notes:

1. The Cash Flow Statement has been prepared under the" indirect method"as set out in IND AS 7 - Statement of Cash Flows
2. Others comprises of upfront fees amortisation

See accompanying notes to the consolidated financial statement

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 20144084AAAABH2124

Place: Mumbai
Date: 29th May, 2020

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Sneha Bindra
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCIE)

AS AT 31st MARCH, 2020

Equity Share Capital (A)

(₹ Crores)

Particulars	Total
Balance at 1st April, 2018	986.35
Changes in equity share capital during the year	-
Balance at 31st March, 2019	986.35
Changes in equity share capital during the year	-
Balance at 31st March, 2020	**986.35**

Other equity (B)

(₹ Crores)

Particulars	Reserves & Surplus						Items of Other comprehensive income/ (loss)		Attributable to Owners of the Parent Company	Non Controlling Interest	Total
	Retained Earnings	Share option outstanding reserve	Security Premium	Legal Reseve	Business Control	Capital Reserve	Foreign Currency Translation Reserve	Equity instruments through other comprehensive income			
Balance at 31st March, 2018	**213.61**	**-**	**52.07**	**0.02**	**-**	**8.12**	**(0.48)**	**(9.75)**	**263.59**	**23.60**	**287.19**
Profit for the year	99.99	-	-	0.10	0.09	-	-	-	100.18	(9.69)	90.49
Share Issue expense	(0.08)	-	-	-	-	-	-	-	(0.08)	-	(0.08)
Acquisition of non controlling interest	-	-	-	-	-	-	-	-	-	(0.46)	(0.46)
Share based payments	-	3.72	-	-	-	-	-	-	3.72	-	3.72
Other comprehensive income for the year	(0.07)	-	-	-	-	-	(0.20)	(0.01)	(0.28)	(0.01)	(0.29)
Balance at 31st March, 2019	**313.45**	**3.72**	**52.07**	**0.12**	**0.09**	**8.12**	**(0.68)**	**(9.76)**	**367.13**	**13.44**	**380.57**
Profit for the year	164.71	-	-	-	-	-	-	-	164.71	(10.40)	154.31
Transition Impact of Ind AS 116	(0.16)	-	-	-	-	-	-	-	(0.16)	(0.12)	(0.28)
Share based payments	-	2.39	-	-	-	-	-	-	2.39	-	2.39
Other comprehensive income for the year	(0.55)	-	-	-	-	-	16.34	(10.32)	5.47	(0.09)	5.38
Transfer to legal reserve	(1.79)	-	-	1.79	-	-	-	-	-	-	-
Transfer to retained earning realised profit on FVTOCI (Refer note 6)	2.93	-	-	-	-	-	-	(2.93)	-		-
Total comprehensive income for the year	**165.13**	**2.39**	**-**	**1.79**	**-**	**-**	**16.34**	**(13.24)**	**172.41**	**(10.61)**	**161.80**
Balance at 31st March, 2020	**478.58**	**6.11**	**52.07**	**1.91**	**0.09**	**8.12**	**15.66**	**(23.00)**	**539.54**	**2.83**	**542.37**

See accompanying notes to the consolidated financial statement

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 20144084AAAABH2124

Place: Mumbai
Date: 29th May, 2020

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Sneha Bindra
Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

1. General Information

JSW Cement Limited ("the Parent Company") and its Subsidiaries collectively is referred to as 'the Group'. The Group is primarily engaged in the business of manufacture and sale of cement, ground granulated blast furnace slag and clinker, trading of allied products and logistic services dealing mainly in domestic transportation of goods.

Based on initial assessment of Impact of Covid -19, the Management does not expect any medium to long-term impact on the business of the Group. The Group has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory, loans, receivables and debt covenants basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to above, and the Group's liquidity position, there is no uncertainty in meeting financial obligations over the foreseeable future. Accordingly, there is no material adjustment required in the Consolidated financial statements.

2. New Accounting Pronouncement – Adoption of IND AS 116 " Leases"

The Group applied Ind AS 116-Leases first time. Ind AS 116 Leases was notified on March 30th, 2019 by the Ministry of Corporate Affairs. It replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1st, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases (i.e. leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right of use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right of use asset.

The standard permits two possible methods of transition i.e. Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, and Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. The Group adopted Ind AS 116 using the modified retrospective approach on transition. Therefore, the comparative information was not restated and continues to be reported under Ind AS 17. Except in one of the subsidiary Company 'Shiva Cement Limited' where standard to all lease contracts existing on April 1st, 2019 is applied using the modified retrospective method and has taken the cumulative adjustment to retained earnings on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31st, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31st, 2019.

The following is the summary of practical expedients elected on initial application:

I. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

II. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term.

III. Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.

IV. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

3. SIGNIFICANT ACCOUNTING POLICIES

I. STATEMENT OF COMPLIANCES

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended. The aforesaid Consolidated Financial Statements have been approved by the Board of Directors in the meeting held on 23rd May, 2020.

Accordingly, the Parent Company has prepared these Consolidated Balance sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31st March, 2020 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements').

II. BASIS OF PREPARATION AND PRESENTATION

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

› Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

› Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

› Level 3 inputs are unobservable inputs for the asset or liability.

The Consolidated Financial Statement is presented in INR which is the functional currency of the Group. All the values are rounded off to Crores unless otherwise stated.

Current and non-current classification

The Group presents assets and liabilities in the Consolidated balance sheet based on current / non-current classification:

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

› It is expected to be realized in or is intended for sale or consumption in, its normal operating cycle;

› it is held primarily for the purpose of being traded;

› It is expected to be realised within 12 months after the reporting date; or

› It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

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

› It is expected to be settled in the Group's normal operating cycle;

› It is held primarily for the purpose of being traded;

› It is due to be settled within 12 months after the reporting date; or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

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

III. BASIS OF CONSOLIDATION

The Consolidated Financial Statements incorporate the financial statements of the Parent Company and its subsidiaries. Control is achieved where the Parent Company:

› has power over the investee;

› is exposed to, or has rights, to variable returns from its involvement with the investee; and

› has the ability to use its power to affect its returns.

The Parent Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit or Loss and Consolidated Other Comprehensive Income from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary.

Consolidated Profit or loss and each component of consolidated other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

IV. BUSINESS COMBINATION

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

› deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

› liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and

› assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS. When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

V. GOODWILL

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or Groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

VI. REVENUE RECOGNITION

Sale of goods

Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, incentives, volume rebates, outgoing taxes on sales. Any amounts receivable from the customer is recognized as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch/delivery of goods.

No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed to with the customer concerned, which is consistent with market practice.

Contract Balances

- **Contract assets**
  A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration including Trade receivables

- **Contract liabilities**
  A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract including Advance received from Customer.

- **Refund liabilities**
  A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer including volume rebates and discounts. The Group updates its estimates of refund liabilities at the end of each reporting period.

Dividend and interest income:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

VII. LEASES

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 - Leases. Identification of a lease requires significant judgment and the Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Group as a lessee

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and consolidated statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in consolidated statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

VIII. Foreign Currency Transactions

The functional currency of the Group and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Group is Indian Rupee (INR).

In preparing the Consolidated Financial Statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Consolidated Statement of Profit and Loss in the period in which they arise except for:

› exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

› exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (xix) (B) (e);

› exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the Consolidated Financial Statements upto March 31st, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Consolidated Statement of Profit and Loss.

For the purposes of presenting these Consolidated Financial Statements, the assets and liabilities of the groups foreign operations are translated into INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rate fluctuate significantly during the period, in which case the exchange rates at the dates of the transaction are used. Exchange difference arising, if any, are recognised in Consolidated other comprehensive income and accumulated in equity.

IX. BORROWING COSTS

Borrowing costs attributable to the acquisition and construction of qualifying assets, are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which they are incurred.

The Group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

The Group suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

Borrowing cost includes exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to finance cost.

X. GOVERNMENT GRANTS AND SUBSIDIES

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate or when the performance obligation is met.

Government grants related to income under State Investment Promotion Scheme linked with VAT / GST payment are recognised in the Consolidated Statement of Profit and Loss in the period in which they become receivable.

Government Grant relating to tangible Property, Plant and equipment are treated as deferred income and released to consolidated statement of profit and loss over the expected useful lives of the assets concerned.

XI. EMPLOYEE BENEFITS

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in consolidated other comprehensive income in the period in which they occur. Re-measurement recognised in consolidated other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Consolidated Statement of Profit or Loss. Past service cost is recognised in Consolidated Statement of Profit or Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

› service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

› net interest expense or income; and

› re-measurement

The Group presents the first two components of defined benefit costs in Consolidated Statement of Profit or Loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

XII. EMPLOYEE SHARE BASED PAYMENTS

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 35.

The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Consolidated Statement of Profit or Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

XIII. TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which the benefit of the temporary differences can be utilized and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal Income Tax during the specified period.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the period

Current and deferred tax are recognised in Consolidated Statement of Profit or Loss, except when they are relate to items that are recognised in consolidated other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in consolidated other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

XIV. PROPERTY, PLANT AND EQUIPMENT

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Expenditure incurred after the property, plant & equipment has put into the operation, such as repairs and maintenance, are charged to Consolidated Statement of Profit and Loss in the period in which cost are incurred. Major shutdown and overhaul expenditure is capitalised as the activity undertaken improves the economic benefit expected to arise from the assets.

Spares parts, servicing equipment and standby equipment which can be used only in connection with a particular Plant & Equipment of the Group and their use is expected to be irregular, are capitalised at cost.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Consolidated Statement of Profit and Loss.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Capital Work In Progress

Assets in the course of construction are shown as Capital Work-in-progress ("CWIP") for capitalisation and includes cost of material consumed, erection charges thereon along with other related expenses incurred for the projects. Expenditure attributable to fixed assets are identified and allocated on a systematic basis to the cost of related assets. Interest during construction and expenditure (net) allocated to construction are apportioned to CWIP on the basis of the closing balance of specific assets or part of asset being capitalised. The balance if any, left after such capitalisation is kept as a separate item under CWIP schedule. Claims for price variation/ escalation in case of contracts are accounted for on acceptance of claims.

Apart from costs related directly to the construction of an asset, indirect expenses incurred up-to the date of commencement of commercial production which are incidental and related to construction are capitalized as part of the construction cost. Income, if any, earned during the construction period is reduced from the indirect costs.

At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

Depreciation

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Sr. No.	Nature of Assets	Useful life of assets
1	Plant and Machinery	5 - 40 years
2	Factory Building	30- 65 years
3	Non-Factory Building	5 - 65 years
4	Computer & Networking	3 to 6 years
5	Furniture	5-10 years
6	Vehicles	8-10 years

Depreciation on additions to fixed assets is provided on a pro-rata basis from the date of installation and in the case of a new project from the date of commencement of commercial production. Depreciation on deductions / disposals is provided on pro-rata basis upto the date of deduction/disposal.

Spares, servicing equipment and standby equipment, which are capitalised, are depreciated over the useful life of the related fixed asset. The written down value of such spares is charged to Consolidated Statement of Profit and Loss, on issue for consumption.

Freehold land are not depreciated.

Expense Incurred for improvement of leasehold assets which are expected to have future economic benefit are capitalized and amortise over the term of the lease.

Capital assets whose ownership does not vest with the Group are amortised based on the estimated useful life as follows:

Sr. No.	Nature of Assets	Useful life of assets
1	Switching substation	35 years
2	Railway Siding	15 years
3	Road	5- 25 years
4	Residential complex	10 years
5	Leasehold improvement	5 years

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

XV. INTANGIBLE ASSETS

The cost of Intangible Assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on acquiring the asset which is ready for its intended use.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible Assets

Estimated useful lives of the intangible Assets are as follows.

Sr. No.	Nature of Assets	Useful life of assets
1	Software	3 to 5 years
2	Mining rights	Period of mining lease

a) Mining rights -Site restoration costs

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to Consolidated Statement of Profit or Loss over the life of the asset through depreciation over the life of the operation and the provision is increased each period via unwinding the discount on the provision which is shown as Finance Cost in the Consolidated Statement of Profit or Loss. Management estimates are based on local legislation and/ or other agreements. The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology.

b) Stripping Cost

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

Such costs are presented within mining assets. After initial recognition, stripping assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of limestone is used to depreciate or amortise stripping cost.

XVI. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS OTHER THAN GOODWILL

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

XVII. INVENTORIES

Inventories are valued after providing for obsolescence as follows:

a) Raw material, stores & spares, packing material and fuels are valued at lower of cost and net realisable value. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.

b) Semi finished goods, Stock-in-trade, Trial run inventories and Finished Goods are valued at lower of cost and net realisable value. Cost of finished goods and Semi finished goods include cost of direct material and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost.

c) Waste/Scrap inventory is valued at net realisable value.

d) Obsolete, defective and unserviceable stock is duly provided for wherever applicable.

e) Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XVIII. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Consolidated Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a liable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Group.

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in Consolidated Financial Statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

XIX. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Consolidated Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Consolidated Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

The Group initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

› The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

› The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Consolidated Other Comprehensive Income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Consolidated OCI is reclassified from the equity to Consolidated Statement of Profit and Loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value.. For all other equity instruments, the Group may make an irrevocable election to present in Consolidated other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in Consolidated statement of profit or loss. The net gain or loss recognized in Consolidated statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Group's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in Consolidated other comprehensive income and accumulated in equity is recognised in Consolidated profit or loss if such gain or loss would have otherwise been recognised in Consolidated profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in Consolidated other comprehensive income is recognised in Consolidated Statement of Profit or Loss if such gain or loss would have otherwise been recognised in Consolidated Statement of Profit or Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in Consolidated other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

d) Impairment

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in Consolidated other comprehensive income and is not reduced from the carrying amount in the Consolidated Balance Sheet.

e) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in Consolidated Statement of Profit or Loss and is included in the 'Other income' line item.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

› It has been incurred principally for the purpose of repurchasing it in the near term; or

› on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

› it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

› such designation eliminates or significantly reduces a measurement or recognition;

› inconsistency that would otherwise arise;

› the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Grouping is provided internally on that basis; or

› it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in Consolidated Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Consolidated Statement of Profit and Loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Consolidated Statement of Profit and Loss.

Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Group enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and capital expenditure. The banks and financial institutions are subsequently repaid by the Group at a later date. These are normally settled up to 12 months (for raw materials) and up to 60 months (for capital expenditure). These arrangements for raw materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognised as other financial liabilities.

Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Consolidated Statement of Profit or Loss.

d) Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Consolidated Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in Consolidated OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in Consolidated OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in Consolidated OCI is reclassified to Consolidated Statement of Profit and Loss at the reclassification date.

e) Hedge accounting

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge or hedges of net investments in foreign operations. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognized in Consolidated Statement of Profit or Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognized in Consolidated Statement of Profit or Loss. in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to Consolidated Statement of Profit or Loss from that date.

f) Offsetting a financial asset and a financial liability

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet when, and only when, there is a currently enforceable legal right to set-off the recognised amounts and there is an intention to realise the assets and settle the liabilities simultaneously on a net basis.

XX. CASH AND CASH EQUIVALENTS:

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

For the purpose of the Consolidated Statement of cash flows, cash and cash equivalent consists of cash and short term deposits, as defined above.

XXI. EARNINGS PER SHARE

Basic EPS is computed by dividing the net profit or loss after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

4. Key sources of estimation uncertainty and recent accounting pronouncement

In the course of applying the policies outlined in all notes under section 2 above, the Group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

A) KEY SOURCES OF ESTIMATION UNCERTAINTY

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives depend upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets.

ii) Impairment of Property, Plant and Equipment

Determining whether the property, plant and equipment are impaired requires an estimate in the value in use of plant and equipment. The value in use calculation requires the Management to estimate the future cash flows expected to arise from the property, plant and equipment and a suitable discount rate in order to calculate present value. When the actual cash flows are less than expected, a material impairment loss may arise.

iii) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts 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.

iv) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

v) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the consolidated Financial Statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

vi) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

vii) Mines restoration obligation

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to mining reserve, discount rates, the expected cost of mines restoration and the expected timing of those costs.

viii) Leases

If an arrangement contains a lease, the parties to the arrangement shall apply the requirements of Ind AS 116 to the lease element. Therefore, the Group is required to separate payments and other consideration required by the arrangement into those for the lease and for other elements on the basis of their relative fair values.

However, Management has concluded that it is impracticable to separate both the elements reliably and has recognized an asset and a liability at an amount equal to the carrying value of the specified asset in the books of the lessor. Subsequently, the liability has been reduced as payments are made and an imputed finance charges on the liability recognized using the Group's incremental borrowing rate of interest over the tenure of the arrangement. The total payments less payments made towards lease obligation and imputed finance charges have been considered to be the consideration for elements other than lease.

In case of arrangements which are identified to be in the nature of finance lease, the management concluded that it is impracticable to derive the relative fair values of lease and other elements of the arrangement and has accordingly determined the consideration for elements other than lease as a residual post appropriation of lease payments derived based on lessee's incremental borrowing rate of interest on the lease obligation corresponding to the respective gross asset values in the books of lessor.

ix) Defined benefits plans

The cost of defined benefit plan and other postemployment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

x) Goodwill and Impairment of Goodwill

Determining whether the goodwill acquired in business combinations are impaired, requires an estimate of recoverable amount of the group's cash generating unit. In considering the recoverable value of cash generating unit, the management has anticipated the future benefits to arise from commodity prices, capacity utilization of plants, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying unit. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit prorate based on carrying amount of each asset in the unit. Any impairment loss of goodwill is recognized directly in the consolidated statement of profit or loss.

B) RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1st, 2020.

Note 5 Property, plant and equipment

(₹ Crores)

Description of Assets	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Computers	Office Equipment	Vehicle	220 KV Switching station	Residential complex	Leasehold improvement	External road	Right of use assets*	Railway siding	Total Property, plant and equipment
I. Cost / Deemed cost														
Balance as at 31st March, 2018	36.65	491.41	1,885.05	2.73	2.49	3.14	2.76	16.36	-	-	84.06	-	18.26	2,542.92
Additions	2.48	117.64	399.48	1.95	0.61	2.89	13.69	-	13.25	2.96	0.56	-	0.74	556.25
Deductions	-	(3.30)	(4.82)	(0.00)	(0.00)	-	(0.53)	-	-	-	-	-	-	(8.65)
Balance as at 31st March, 2019	**39.13**	**605.75**	**2,279.71**	**4.68**	**3.10**	**6.03**	**15.92**	**16.36**	**13.25**	**2.96**	**84.62**	**-**	**19.00**	**3,090.52**
Reclassification of land	-	-	-	-	-	-	-	-	-	-	-	8.87	-	8.87
Foreign Exchange on translation	-	0.04	-	0.01	0.01	0.01	-	-	-	-	-	-	-	0.07
Additions	0.94	39.59	68.18	1.69	4.38	2.05	1.10	-	1.60	1.19	0.07	230.57	-	351.37
Deductions	-	-	(2.44)	(0.00)	(0.00)	-	(0.07)	-	-	-	-	-	-	(2.51)
Balance as at 31st March, 2020	**40.07**	**645.38**	**2,345.45**	**6.38**	**7.49**	**8.09**	**16.95**	**16.36**	**14.85**	**4.15**	**84.69**	**239.44**	**19.00**	**3,448.32**
II. Accumulated depreciation														
Balance as at 31st March, 2018	-	11.48	118.59	0.78	0.86	0.62	0.59	1.64	-	-	3.36	-	0.82	138.73
Depreciation expense for the year	-	10.77	94.34	0.43	0.78	0.67	1.38	0.53	0.11	0.05	3.39	-	1.39	113.83
Eliminated on disposal of assets	-	(0.48)	(1.35)	-	-	-	(0.19)	-	-	-	-	-	-	(2.02)
Balance as at 31st March, 2019	**-**	**21.77**	**211.57**	**1.21**	**1.63**	**1.29**	**1.77**	**2.17**	**0.11**	**0.05**	**6.75**	**-**	**2.21**	**250.54**
Depreciation expense for the year	-	12.32	102.65	0.64	1.39	1.17	2.00	0.53	1.49	0.59	3.37	**14.72**	1.41	142.28
Eliminated on disposal of assets	-	-	(0.38)	(0.00)	-	-	-	-	-	-	-	-	-	(0.38)
Balance as at 31st March, 2020	**-**	**34.09**	**313.84**	**1.85**	**3.02**	**2.45**	**3.77**	**2.70**	**1.60**	**0.64**	**10.12**	**14.72**	**3.62**	**392.44**
Carrying value														
Balance as at 31st March, 2020	**40.07**	**611.29**	**2,031.61**	**4.53**	**4.47**	**5.64**	**13.17**	**13.66**	**13.25**	**3.51**	**74.57**	**224.72**	**15.38**	**3,055.88**
Balance as at 31st March, 2019	39.13	583.98	2,068.14	3.47	1.46	4.75	14.15	14.19	13.14	2.91	77.87	-	16.79	2,839.98
Useful life of the assets (years in range)	NA	5-65	5-40	5-10	3-6	5-10	8-10	35	10	5	5-25	2-25	15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	

* Refer Note 35 (i) for classwise breakup of Right of use assets

5.1 Asset include Gross Block of ₹ 615.21 Crores (previous year ₹ 598.08 Crores) constructed on lease land under sub-lease agreements with JSW Steel Limited, for 150 Acres of land situated at Tornagallu village, District Bellary Karnataka at an annual rent of ₹ 0.60 Crores.

5.2 Asset include Gross Block of ₹ 402.11 Crores (previous year ₹ 381.08 Crores) constructed on lease land under lease agreements with JSW Steel Limited,for 20.55 Acres of land situated at Dolvi, District Raigad, Maharshatra at an annual rent of ₹ 2.30 Crores.

5.3 Additions to Plant & Machinery includes adjustment of ₹ 12.45 Crores on account of finance cost

5.4 Certain property, plant and equipment are pledged against borrowing, the detail relating to which have been described in note 18

5.5 Property, plant and equipment include assets with net block of ₹ 120.04 crores (previous year ₹ 124.57Crores) for which ownership is not in the name of the company

5.6 Capital work in progress includes finance cost ₹ 35.93 Crores (As at 31st March, 2019: ₹ 12.07 Crores)

5.7 Depreciation of ₹0.16 Crores pertaining to project is transferred to CWIP

Note 5A Other Intangible assets

(₹ Crores)

Description of Assets	Software	Mining Rights	Stripping Cost	Total Intangible Assets
I. Cost / Deemed cost				
Balance as at 31st March, 2018	1.70	9.17	10.18	21.05
Additions	4.44	-	-	4.44
Deductions	-	-	-	-
Balance as at 31st March, 2019	**6.14**	**9.17**	**10.18**	**25.49**
Additions	0.97	-	-	0.97
Deductions	-	-	-	-
Balance as at 31st March, 2020	**7.11**	**9.17**	**10.18**	**26.46**
II. Accumulated depreciation				
Balance as at 31st March, 2018	0.63	0.28	0.68	1.59
Depreciation expense for the year	1.68	0.22	0.33	2.23
Eliminated on disposal of assets	-	-	-	-
Balance as at 31st March, 2019	**2.31**	**0.50**	**1.01**	**3.82**
Depreciation expense for the year	2.03	0.21	0.32	2.55
Eliminated on disposal of assets	-	-	-	-
Balance as at 31st March, 2020	**4.33**	**0.71**	**1.33**	**6.37**
Carrying value				
Balance as at 31st March, 2020	**2.78**	**8.46**	**8.85**	**20.09**
Balance as at 31st March, 2019	3.83	8.67	9.17	21.68
Useful life of the assets (years in range)	3-5	50	25	
Method of amortization	SLM	SLM	SLM	

1. Group has recognised Mining Rights as required under IND AS 16 Property, Plant & Equipment for decommissioning liability to be incurred towards mines restoration expenditure, for deriving the cost of the asset company has discounted the value over the lease period of the mines.

Note 5B Intangible assets under development

Description of Assets	As at 31st March, 2020	As at 31st March, 2019
Mining deveopment	0.28	0.21
Land & Land development	0.07	0.06
Total	**0.35**	**0.27**

6. Investments (non current)

(₹ Crores)

	Particulars	As at 31st March, 2020	As at 31st March, 2019
(A)	**Investment in Equity Instruments**		
	Quoted- others (At fair value through OCI)		
	JSW Energy Limited	11.20	17.31
	26,29,810 (31st March, 2019: 23,84,610) of ₹ 10 each fully paid-up		
	JSW Steel Limited	-	11.13
	Nil (31st March, 2019: 380,000) of ₹ 10 each fully paid-up		
(B)	**Investment Debenture**		
	Unquoted Zero Coupon Optionally Convertible Debentures		
	JSW Sports Limited	309.00	-
(B)	**Investment in Mutual fund**		
	Quoted - Others		
	JM High Liquidity Fund - Growth	-	0.42
(C)	**Investment in government securities (Unquoted (others) (at amortised cost))**		
	National Saving Certificate - Pledged with Commercial Tax Department 3,000	-	-
	(31st March, 2019: 3,000)		
	Total (A+B+C)	**320.20**	**28.86**
	Quoted		
	Aggregate book value	11.20	28.86
	Aggregate market value	11.20	28.86
	Unquoted		
	Aggregate carrying value	309.00	-
	Investment at amortised cost	**309.00**	**-**
	Investment at fair value through other comprehensive income	**11.20**	**28.86**

Sale of shares to JSW Steel Limited (380,000 shares) and JSW Energy Limited (555,000 shares). Sale of shares at fair value of ₹ 12.45 Crores and ₹ 0.44 Crores of Mutual fund which is the quoted price on date of sale, resulting in cumulative gain recognized ₹ 2.93 Crores which is transferred from Equity Instruments through Other Comprehensive Income to Retained Earnings.

7. Loans

(₹ Crores)

Particulars	Non-Current		Current	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Unsecured considered good				
Security deposits	1.35	-	2.39	2.69
Loans to:				
- Related parties *	1.83	3.75	20.60	275.00
- Other body corporates	-	32.98	88.25	69.69
- Others	2.00	2.00	-	-
Advance to employees	-	-	0.53	0.27
Total	**5.18**	**38.73**	**111.77**	**347.65**

* For business purpose: refer note 35 (h)

8. Other financial assets (unsecured, considered good)

(₹ Crores)

Particulars	Non-Current		Current	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Interest receivable on loan to related party	-	-	6.38	26.21
Interest receivable others	-	-	5.79	4.94
Derivative asset	-	-	3.41	-
Claims receivable	-	-	-	0.36
Deposit with remaining maturity of more than 12 months	5.95	0.10	-	0.57
Other receivable	-	-	13.55	8.50
Total	**5.95**	**0.10**	**29.13**	**40.58**

9. Deferred tax (liabilities)/ asset (Net)

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred tax asset (Refer note 35 j)	33.32	24.36
Deferred tax (liabilities)/ asset (Net) (Refer note 35 j)	(209.73)	(125.69)
MAT credit entitlement	164.52	121.86
Total	**(45.21)**	**(3.83)**

10. Income tax assets (net)

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance tax and Tax Deducted at Source (net)	4.47	5.92
Total	**4.47**	**5.92**

11. Other assets

(₹ Crores)

Particulars	Non-Current		Current	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Capital advances (Unsecured, considered good)	160.41	178.81	1.31	-
Other assets (Unsecured, considered good)				
Advance to suppliers	-	-	38.83	77.98
GST receivable	3.39	2.43	58.38	51.75
Prepaid expenses	19.14	16.69	9.48	16.53
Leasehold land prepayments	5.03	14.43	-	-
Security deposits	47.84	46.43	1.23	-
Government grant receivable	-	-	129.90	84.98
Other receivables	-	-	7.51	11.98
Total	**235.80**	**258.79**	**246.64**	**243.22**

12. Inventories

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Raw materials (includes stock in transit ₹ 9.75 Crores ;previous year : 17.02 Crores) (at cost)	190.20	117.17
Semi finished goods (at cost)	30.82	14.87
Finished goods (at lower of cost and net realisable value)	80.15	41.27
Stores and spares (at cost)	122.17	83.26
Fuel (includes stock in transit ₹ Nil ;previous year ₹ 0.56 Crores) (at cost)	35.81	23.14
Total	**459.15**	**279.71**

Inventories have been pledged as security against certain bank borrowings of the Group as at 31st March, 2020 (refer note 21)

COST OF INVENTORY RECOGNISED AS AN EXPENSE

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cost of material consumed	696.66	671.86
Changes in inventories of finished goods, semi finished goods and stock in trade	(54.84)	0.22
Stores and spares	31.04	28.29
Fuel	179.32	191.94
Total	**852.18**	**892.31**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

13. Trade Receivables

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade Receivable considered good, Secured	94.37	72.45
Trade Receivable considered good, Unsecured (refer note 34)	329.32	323.12
Trade receivable which have significant increase in credit risk	1.97	0.65
Trade Receivables-credit impaired	0.34	0.34
Total	**426.00**	**396.56**
Less: Allowance for expected credit loss	(2.31)	(0.99)
Total	**423.69**	**395.57**

Trade receivable are secured by the funds received from Del credere agent (refer note 23)

Trade receivables have been pledged as security against certain bank borrowings of the Group as at 31st March, 2020 (refer note 21)

Debts amounting to ₹ 0.30 Crores are due by private companies in which director is a director

14 Cash and cash equivalents

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with banks in current accounts	87.36	33.68
Cash on hand	0.10	0.08
Total	**87.46**	**33.76**

15 Bank balances other than cash and cash equivalents

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Term deposit with original maturity of more than 3 months but less than 12 months at inception	6.47	1.81
In Margin money *	20.26	1.69
Total	**26.73**	**3.50**

*earmarked with government authorities

16 Equity Share Capital

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Authorised Capital		
1,250,000,000 (31st March, 2019: 1,250,000,000) Equity shares of ₹10 each	1,250.00	1,250.00
25,000,000 (31st March, 2019: 25,000,000) Preference shares of ₹ 100 each	250.00	250.00
Issued, Subscribed & Fully Paid Up Capital		
986,352,230 (31st March, 2019: 986,352,230) Equity shares of ₹10 each fully paid up	986.35	986.35
Total	**986.35**	**986.35**

16.1 RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR

(₹ Crores)

Particulars	As at 31st March, 2020 No. of Shares	As at 31st March, 2019 No. of Shares
Equity shares at the beginning of the year	98,63,52,230	98,63,52,230
Add: Fresh issue of shares during the year	-	-
Equity shares at the end of the year	**98,63,52,230**	**98,63,52,230**

16.2 RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO EQUITY SHARES

Equity Shares: The Parent Company has a single class of ordinary equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

16.3 DETAILS OF AGGREGATE SHAREHOLDING BY HOLDING COMPANY

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Adarsh Advisory Services Private Limited - Holding Company		
893,067,550 (31st March, 2019 893,067,550) Equity Shares of ₹ 10 each	893.07	893.07

16.4 SHAREHOLDERS HOLDING MORE THAN 5% OF AGGREGATE EQUITY SHARE IN THE COMPANY

(₹ Crores)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares	% of holding	Number of shares	% of holding
Equity shareholding				
Adarsh Advisory Services Private Limited - Holding company	89,30,67,550	90.54%	89,30,67,550	90.54%

17. Other equity

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Retained earning	478.67	313.54
Share option outstanding reserve	6.11	3.72
Security Premium	52.07	52.06
Capital Reserve	8.12	8.12
Legal Reserve	1.91	0.12
Other comprehensive income:		
Foreign currency translation reserve	15.66	(0.68)
Equity instruments through other comprehensive income	(23.00)	(9.76)
Total	**539.54**	**367.12**

SHARE OPTION OUTSTANDING RESERVE

The Group offers ESOP, under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of ESOP schemes.

SECURITIES PREMIUM ACCOUNT

Securities premium account balance is the extra money received by the company while issuing shares. This money is being utilised as specified in section 78 of the Companies Act, 2013.

CAPITAL RESERVE

Reserve primarily created out of share forfeiture amounting ₹ 2.14 Crores and amalgation reserve amounting ₹ 5.66 Crores as per statutory requirement.

LEGAL RESERVE

In accordance with UAE Federal Law No. (2) of 2015 and Article 13-A of the Entity's Articles of Association, 10% of the profit of each year is to be appropriated to a statutory reserve. Transfer may be discontinued when the reserve reaches 50% of the paid-up capital. This reserve is not available for distribution except in circumstances stipulated by the law.

FOREIGN CURRENCY TRANSLATION RESERVE

Exchange difference related to the translation of the results and net asset of the groups for an operations from their functional currency to the Group's presentation currency is recognised directly in other comprehensive income and is accoumulated in foreign currency translation reserve (FCTR). Exchange differences previously accumulated in FCTR in respect of translating the net assets of foreign operations are reclassified to profit or loss on the disposal of the foreign operation.

18. Non Current Borrowings (at amortised cost)

(₹ Crores)

Particulars	Non-Current		Current Maturities	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Term Loans				
Secured				
From banks	2,258.33	2,128.60	440.77	280.22
Less: Unamortised upfront fees on borrowings	(74.75)	(8.56)	(15.52)	(3.22)
Total	**2,183.58**	**2,120.04**	**425.25**	**277.00**

RUPEE TERM LOAN FROM BANKS (SECURED)

(₹ Crores)

As at 31st March, 2020		As at 31st March, 2019		Terms of Repayment*	Security
Non-current	Current	Non-current	Current		
510.79	45.75	545.17	45.76	6 quarterly instalment of ₹ 11.44 Crores each from 01.07.2020 to 01.10.2021, 4 quarterly instalment of ₹13.34 Crores each from 01.01.2022 to 01.10.2022, 4 quarterly instalment of ₹ 30.50 Crores each from 01.01.2023 to 01.10.2023, 4 quarterly instalment of ₹ 38.13 Crores each from 01.01.2024 to 01.10.2024, 4 quarterly instalment of ₹ 40.03 Crores each from 01.01.2025 to 01.10.2025.	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the Group.
162.04	81.07	243.22	90.35	9 quarterly instalment of ₹ 27.02 Crores each from 14.07.2020 to 14.04.2022.	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the Group and by way of deed of hypothecation on present and future moveable fixed assets of the Group
667.18	82.94	730.41	59.22	2 quarterly instalment of ₹19.74 Crores each from 30.06.2020 to 30.09.2020, 4 quarterly instalment of ₹ 21.71 Crores each from 31.12.2020 to 30.09.2021, 4 quarterly instalment of ₹ 25.66 Crores each from 31.12.2021 to 30.09.2022, 4 quarterly instalment of ₹ 29.61 Crores each from 31.12.2022 to 30.09.2023, 12 quarterly instalment of ₹ 33.56 Crores each from 31.12.2023 to 30.09.2026.	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the Group and by way of deed of hypothecation on present and future moveable fixed assets of the Group.
289.00	-	201.50	-	4 quarterly instalment of ₹ 7.23 Crores each from 20.04.2021 to 20.01.2022, 4 quarterly instalment of ₹ 7.95 Crores each from 20.04.2022 to 20.01.2023, 4 quarterly instalment of ₹ 9.39 Crores each from 20.04.2023 to 20.01.2024, 4 quarterly instalment of ₹10.84 Crores each from 20.04.2024 to 20.01.2025, 12 quarterly instalment of ₹ 12.28 Crores each from 20.04.2025 to 20.01.2028.	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the Group and by way of deed of hypothecation on present and future moveable fixed assets of the Group.
-	29.00	29.00	19.70	Annual instalment of ₹ 29.00 Crores on 22.03.2021.	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the Group and by way of deed of hypothecation on present and future moveable fixed assets of the Group.
143.83	47.95	191.74	47.96	16 quarterly instalment of ₹ 11.99 Crores each from 09.06.2020 to 09.03.2024.	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the Group and by way of deed of hypothecation on present and future moveable fixed assets of the Group.
160.55	19.95	175.75	14.25	2 quarterly instalment of ₹ 4.75 Crores each from 30.06.2020 to 30.09.2020, 4 quarterly instalment of ₹ 5.23 Crores each from 31.12.2020 to 30.09.2021, 4 quarterly instalment of ₹ 6.18 Crores each from 31.12.2021 to 30.09.2022, 4 quarterly instalment of ₹ 7.13 Crores each from 31.12.2022 to 30.09.2023, 12 quarterly instalment of ₹ 8.07 Crores each from 31.12.2023 to 30.09.2026.	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the Group and by way of deed of hypothecation on present and future moveable fixed assets of the Group.

(₹ Crores)

As at 31st March, 2020		As at 31st March, 2019		Terms of Repayment*	Security
Non-current	Current	Non-current	Current		
80.00	20.00	-	-	20 quarterly instalment of ₹ 5.00 Crores each from 30.06.2020 to 31.03.2025.	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the Group and by way of deed of hypothecation on present and future moveable fixed assets of the Group.
8.54	3.27	11.81	2.98	39 Equated Monthly Installement (EMI) starting from APRIL 2020 to June 2023. Qtr June 20: ₹ 0.79 Crores Qtr Sep 20: ₹ 0.81 Crores, Qtr Dec 20: ₹ 0.83 Crores, Qtr March 21: ₹ 0.85 Crores Qtr June 21: ₹ 0.87 Crores Qtr Sep 21: ₹ 0.89 Crores Qtr Dec 21: ₹ 0.90 Crores Qtr March 22: ₹ 0.93 Crores Qtr June 22: ₹ 0.95 Crores Qtr Sep 22: ₹ 0.97 Crores Qtr Dec 22: ₹ 0.99 Crores Qtr March 23: ₹1.01 Crores Qtr June 23: ₹ 1.03 Crores.	Secured by way of deed of hypothecation on Commercial Vehicle of the Group.
236.40	110.84	-	-	41 Quarterly Installement starting from June 2021 to June 2029. Qtr June 21: ₹ 5.43 Crores, Qtr Sep 21: ₹ 5.43 Crores, Qtr Dec 21: ₹ 5.43 Crores, Qtr March 22: ₹ 5.43 Crores Qtr June 22: ₹ 5.43 Crores Qtr Sep 22: ₹ 5.43 Crores Qtr Dec 22: ₹ 5.43 Crores Qtr March 23: ₹ 5.43 Crores Qtr June 23: ₹ 5.43 Crores Qtr Sep 23: ₹ 6.11 Crores Qtr Dec 23: ₹ 6.11 Crores Qtr March 24: ₹ 6.11 Crores Qtr June 24: ₹ 6.11 Crores Qtr Sep 24: ₹ 6.11 Crores Qtr Dec 24: ₹ 6.11 Crores Qtr March 25: ₹ 6.11 Crores Qtr June 25: ₹ 6.11 Crores Qtr Sep 25: ₹ 6.11 Crores Qtr Dec 25: ₹ 6.11 Crores Qtr March 26: ₹ 6.11 Crores Qtr June 26: ₹ 6.11 Crores Qtr Sep 26: ₹ 6.79 Crores Qtr Dec 26: ₹ 6.79 Crores Qtr March 27: ₹6.79 Crores Qtr June 27: ₹ 6.79 Crores Qtr Sep 27: ₹6.79 Crores Qtr Dec 27: ₹ 6.79 Crores Qtr March 28: ₹ 6.79 Crores Qtr June 28: ₹ 6.79 Crores Sep 28: ₹ 7.47 Crores Qtr Dec 28: ₹ 7.47 Crores Qtr March 29: ₹ 7.47 Crores Qtr June 29: ₹ 7.47 Crores Qtr Sep 29: ₹ 8.15 Crores Qtr Dec 29: ₹ 8.15 Crores Qtr March 30: ₹ 8.15 Crores Qtr June 30: ₹ 8.15 Crores Sep 30: ₹ 8.15 Crores Qtr Dec 30: ₹ 8.15 Crores Qtr March 31: ₹ 8.15 Crores Qtr June 31: ₹ 2.3 Crores.	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the Group and by way of deed of hypothecation on present and future moveable fixed assets of the Group and Unconditional and Irrevocable Corporate Guarantee is issued by our holding Group JSW Cement Limited in favour of lender Indusind Bank Limited as a security towards credit facility provided along with interest, liquidated damages, costs, charges, expenses and all other monies whatsoever payable by Borrower.
2,258.33	440.77	2,128.60	280.22		

* Borrowing have been drawn at rate of interest at 8.05% - 10.05%.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

19. Other non-current financial liabilities

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Payable for capital projects	20.79	16.47
Long term maturies for Lease arrangement	201.53	-
Total	**222.32**	**16.47**

20. Provisions

(₹ Crores)

Particulars	Non-Current		Current	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefits				
Gratuity (Refer note 35 f)	2.82	2.25	0.29	-
Leave encashment (Refer note 35 f)	7.72	5.64	0.03	-
Mines restoration expenditure	27.34	25.92	-	-
Total	**37.88**	**33.81**	**0.32**	**-**

Note 20.1 Movement of provisions during the year as required by Ind AS- 37 "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013:

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Mines Restoration expenditure (to be settled at Mines closure)		
Opening Balance	25.92	23.87
Add: Unwinding of discount on mine restoration expenditure	2.26	2.69
Add: Reversal of provision	(0.84)	(0.64)
Closing Balance	**27.34**	**25.92**

21. Current Borrowings (at amortised cost)

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured loans		
Loan repayable on demand		
From bank -working capital loan	177.26	136.68
Unsecured loans		
Loan repayable on demand		
From bank -working capital loan	170.00	15.00
Total	**347.26**	**151.68**

21.1 DETAILS OF SECURITY

Working capital loan obtained from bank is secured by pari passu first charge by way of hypothecation of Stocks of Raw Materials, Finished Goods, Work-in-Progress, Consumable Stores and Spares and Trade Receivables of the Group, both present and future.

Loan repayable on demand are secured on first pari passu charge on the Group's current assets by way of hypothecation.

BORROWINGS HAVE BEEN DRAWN AT FOLLOWING RATE OF INTEREST

Particulars	Rates of Interest (p.a)
Cash Credit	9.30% to 9.65%
Short Term Loan	9.30% to 9.90%

22. Trade Payables

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total outstanding dues of Micro enterprise and Small enterprise	6.15	4.77
Total outstanding dues of creditors other than Micro enterprises and small enterprises		
Acceptances	208.34	200.61
Other than acceptances	573.29	523.09
Total	**787.78**	**728.47**

Acceptances include credit availed by the Group from banks for payment to suppliers for raw material purchased by the Group. The arrangements are interest bearing and are payable within one year.

Refer note 35(p) for disclosure under Micro, Small and Medium enterprises Development Act.

Refer note 35(h) with respect to amount payable to Related Parties.

23. Other current financial liabilities

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current maturities of long-term borrowings (refer note 18)	425.25	277.00
Interest accrued but not due on borrowings	20.72	0.16
Payable for capital projects		
- Acceptances	75.79	32.15
- Other than acceptances	228.62	174.02
Security Deposit received	132.72	108.31
Lease liability	12.63	-
Del Credre Finance payable	94.37	72.45
Total	**990.10**	**664.09**

Acceptances include credit availed by the Group from banks for payment to suppliers for capital items purchased by the Group. The arrangements are interest bearing and are payable within one year.

24. Other current liabilities

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current dues of long-term employee benefits	1.55	1.00
Advances from customers	12.04	11.95
Statutory liabilities	43.97	70.45
Other Payables	1.97	2.76
Total	**59.53**	**86.16**

25. Revenue From Operations

(₹ Crores)

Particulars		For the year ended 31st March, 2020	For the year ended 31st March, 2019
Sale of Products			
Finished goods		2,857.03	2,655.21
Traded		8.98	8.91
Other operating revenue			
Scrap sale		16.60	20.19
Government grant income (refer note 3 (x))		44.90	37.92
Revenue from operations	**Total**	**2,927.51**	**2,722.23**

Refer note 35 (n) for details of contract liability

Timing of revenue recognition is at point in time ₹ 2,927.51 Crores

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

RECONCILIATION OF REVENUE FROM SALE OF PRODUCTS WITH THE CONTRACTED PRICE

(₹ Crores)

Particulars		For the year ended 31st March, 2020	For the year ended 31st March, 2019
Contracted Price		3,137.02	2,877.49
Less: Trade Discount, Volume, Rebate etc.		(271.01)	(213.37)
Sale of Products	**Total**	**2,866.01**	**2,664.12**

26. Other Income

(₹ Crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest income from loan to Related party	27.27	26.76
Interest income from Others	5.15	8.31
Dividend income from non current investments designated at FVTOCI	0.39	0.12
Profit on sale of current investments	-	1.22
Write Back of excess provision	4.66	6.15
Miscellaneous income	2.89	7.00
Total	**40.36**	**49.56**

27. Cost of raw material consumed

(₹ Crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Inventory at the beginning of the year	117.17	68.98
Add : Purchases	769.69	720.05
Less: Inventory at the end of the year	(190.20)	(117.17)
Total	**696.66**	**671.86**

28. Purchases of Stock in trade

(₹ Crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Granulated Blast Furnace Slag	-	2.13
Total	**-**	**2.13**

29. Changes in inventories of finished goods, work-in- progress and stock-in-trade

(₹ Crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Inventories at the beginning of the year		
Finished goods	41.26	28.31
Semi finished goods	14.87	28.04
	56.13	**56.35**
Inventories at the end of the year		
Finished goods	80.15	41.26
Semi finished goods	30.82	14.87
Total Inventories at the end of the year	**110.97**	**56.13**
Total	**(54.84)**	**0.22**

30. Employee benefits expense

(₹ Crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries and wages	161.39	134.12
Employee stock option expense	2.42	3.72
Contributions to provident fund and other funds (Refer note 35 f)	6.19	5.46
Gratuity expense (Refer note 35 f)	1.76	1.61
Staff welfare expenses	3.48	3.52
Total	**175.24**	**148.43**

31. Other expenses

(₹ Crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Consumption of stores and spares	31.04	28.29
Packing Cost	75.41	86.27
Repairs and maintenance expenses:		
- Repairs to buildings	1.73	2.04
- Repairs to machinery	43.38	38.26
- Others	6.51	7.03
Rent	2.48	8.06
Rates and taxes	3.61	2.59
Insurance	4.07	3.05
Legal & professional	14.00	13.48
Advertisement & publicity	48.14	41.24
Commission on sales	45.28	35.93
Rebates & discounts	30.41	26.76
Selling & distribution expenses	5.52	9.63
Branding fees	6.90	2.60
Auditors remuneration (Refer note 35 k)	0.31	0.33
Loss on sale of Fixed assets	1.49	1.13
Postage & telephone	1.24	1.16
Printing & stationery	0.63	0.75
Travelling expenses	29.20	30.76
Corporate social responsibility expense (Refer note 35 O)	3.82	4.63
Software and IT related expenses	3.26	3.15
Net loss on foreign currency translation and transactions	6.05	2.54
Donation	5.41	0.45
Miscellaneous expenses	67.81	29.68
Total	**437.70**	**379.81**

32. Finance Costs

(₹ Crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest expenses	259.51	220.52
Unwinding of interest on financial liabilities carried at amortised cost	2.87	8.82
Unwinding of discount on mines restoration expenditure	2.32	2.70
Other borrowing cost	3.03	5.01
	267.73	**237.05**

33. Depreciation and Amortization Expense

(₹ Crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Depreciation on Property, plant and equipment	134.72	109.15
Depreciation of Asset constructed on property not owned by Group	7.39	5.45
Amortization of Intangible assets	2.55	1.53
	144.66	**116.13**

34. Financial instruments

A. CAPITAL RISK MANAGEMENT

The objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity. The Group's capital requirement is mainly to fund its capacity expansion and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Group regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the asset and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments.

(₹ Crores)

Particulars	31st March, 2020	31st March, 2019
Long term borrowings	2,183.58	2,120.04
Current maturities of long term debt	425.27	277.01
Short term borrowings	347.26	151.68
Less: Cash and cash equivalent	(87.46)	(33.76)
Less: Bank balances other than cash and cash equivalents	(26.73)	(3.50)
Less: Current investment	-	-
Net Debt	2,841.92	2,511.47
Total Equity	1,525.89	1,353.47
Gearing ratio	1.86	1.86

(i) Equity includes all capital and reserves of the company that are managed as capital (Refer note 16 and 17)

(ii) Debt is defined as long-term and short-term borrowings. (refer note 18 and 21)

B. CATEGORIES OF FINANCIAL INSTRUMENTS

(₹ Crores)

Particulars	31st March, 2020		31st March, 2019	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	87.46	87.46	33.76	33.76
Bank balances other than cash and cash equivalents	26.73	26.73	3.50	3.50
Trade receivables	423.69	423.69	395.57	395.57
Loans	116.95	116.95	386.38	386.38
Other financial assets	35.08	35.08	40.68	40.68
Non current investments	309.00	309.00	-	-
Total financial assets at amortised cost (A)	**998.91**	**998.91**	**859.89**	**859.89**
Measured at fair value through other comprehensive income				
Non current investments	11.20	11.20	28.86	28.86
Total financial assets at fair value through other comprehensive income (B)	**11.20**	**11.20**	**28.86**	**28.86**
Total Financial assets (A+B)	**1,010.11**	**1,010.11**	**888.75**	**888.75**
Financial liabilities				
Measured at amortised cost				
Long term borrowings #	2,608.83	2,608.83	2,397.04	2,397.04
Short term borrowings	347.26	347.26	151.68	151.68
Trade payable	787.78	787.78	728.47	728.47
Other financial liabilities	787.15	787.15	403.55	403.55
Total financial liabilities at amortised cost	**4,531.02**	**4,531.02**	**3,680.74**	**3,680.74**

including current maturities of long term debt

A. RISK MANAGEMENT FRAMEWORK

The Group has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

B. FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks arising from financial instruments:

› Market risk

› Interest rate risk

› Credit risk ; and

› Liquidity risk

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivatives for speculative purposes.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate.

The following table provides a break-up of the Group's fixed and floating rate borrowing:

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Fixed rate borrowings	11.81	14.80
Floating rate borrowings	2,687.29	2,382.24
Total borrowings	**2,699.10**	**2,397.04**
Total Net borrowing	2,608.83	2,385.26
Add: Upfront fees	90.27	11.78
Total borrowings	**2,699.10**	**2,397.04**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended 31st March, 2020 would decrease / increase by ₹ 26.03 Crores (for the year ended 31st March, 2019: decrease / increase by ₹ 25.76 Crores). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

iii. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Group's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

Trade receivables
Customer credit risk is managed centrally by the Group and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an individual credit limits defined in accordance with the assessment.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. No single customer accounted for 10% or more of revenue in any of the years indicated. A single largest customer has total exposure in sales of 6.43%.The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

As per simplified approach, the Group makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Our historical experience of collecting receivables indicate a low credit risk. Hence, trade receivables are considered to be a single class of financial assets.

As per policy receivables are classified into different buckets based on the overdue period ranging from 6 months – one year to more than one year. There are different provisioning norms for each bucket which are ranging from 2% to 5%.

The movement in allowance for Expected Credit Loss is as follows:

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	0.65	0.75
Change in allowance for trade receivable which have significant increase in credit risk	1.32	0.08
Trade receivable written off during the year	-	(0.18)
Balance as at the end of the year	**1.97**	**0.65**

Cash and cash equivalents :
Credit risks from balances with banks and financial institutions are managed in accordance with the Group policy. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

The Group's maximum exposure to the credit risk for the components of balance sheet as 31st March, 20 and 31st March, 19 is the carrying amounts mentioned in Note no 13.

Loans and investment
The Group's centralised treasury function manages the financial risks relating to the business. The treasury function focusses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits assigned for each of the counterparty. The limits are set to minimise the concentration of risks and therefore mitigate the financial loss through counter party's potential failure to make payments.

iv. Liquidity risk management
Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Group generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Group has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

Liquidity exposure as at 31st March, 2020

(₹ Crores)

Particulars	Contractual cash flows			
	< 1 year	1-5 year	> 5 years	Total
Financial assets				
Cash and cash equivalents	87.46	-	-	87.46
Bank balances other than cash and cash equivalents	26.73	-	-	26.73
Trade receivables	423.69	-	-	423.69
Loans	111.77	5.18	-	116.95
Non current investments	-	-	320.20	320.20
Other financial assets	29.13	5.95	-	35.08
Total financial assets	**678.78**	**11.13**	**320.20**	**1,010.11**
Financial liabilities				
Long term borrowings	-	1,666.35	517.23	2,183.58
Short term borrowings	347.26	-	-	347.26
Trade payable	787.78	-	-	787.78
Other financial liabilities	990.10	222.32	-	1,212.42
Total financial liabilities	**2,125.14**	**1,888.67**	**517.23**	**4,531.04**

Liquidity exposure as at 31st March, 2019

(₹ Crores)

Particulars	Contractual cash flows			
	< 1 year	1-5 year	> 5 years	Total
Financial assets				
Cash and cash equivalents	33.76	-	-	33.76
Bank balances other than cash and cash equivalents	3.50	-	-	3.50
Trade receivables	395.57	-	-	395.57
Loans	347.65	38.73	-	386.38
Non current investments	-	-	28.86	28.86
Other financial assets	40.58	0.10	-	40.68
Total financial assets	**821.06**	**38.83**	**28.86**	**888.75**
Financial liabilities				
Long term borrowings	-	1,364.39	755.65	2,120.04
Short term borrowings	151.68	-	-	151.68
Trade payable	728.47	-	-	728.47
Other financial liabilities	664.09	16.47	-	680.56
Total financial liabilities	**1,544.24**	**1,380.86**	**755.65**	**3,680.75**

Collateral

The Group has pledged part of its trade receivables in order to fulfil certain collateral requirements for the banking facilities extended to the Group. There is obligation to return the securities to the Group once these banking facilities are surrendered.

Level wise disclosure of financial instruments

(₹ Crores)

Particulars	31st March, 2020	31st March, 2019	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial assets :				
Investment in Equity Shares measured at FVTOCI	11.20	28.44	Level 1	Quoted Bid Prices in an active market.
Investment in mutual funds measured at FVTOCI	-	0.42	Level 1	Quoted Bid Prices in an active market.
Financial liabilities :				
Derivative (Assets)/ Liabilities	(3.41)	2.13	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.

The carrying amount of Trade Receivable, Trade Payable, Capital Creditors, Cash and Cash Equivalents and other Bank Balances are considered to be the same as their fair values due to their short term nature.

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Details of Financial assets/ liabilities measured at amortized cost but fair value disclosed in category wise

(₹ Crores)

Particulars	31st March, 2020	31st March, 2019	Fair value hierarchy	Valuation technique(s) and key input(s)
Investment in Optionally Convertible Debentures				
Carrying value	309.00	-	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	309.00	-		
Loans				
Carrying value	112.68	383.42	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	112.68	383.42		
Long term borrowings				
Carrying value	2,699.10	2,408.82	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	2,699.10	2,408.82		

iv Foreign currency risk management

The Group's functional currency is Indian Rupees (INR). The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's costs of imports, primarily in relation to raw materials and capital assets . The Group is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Group's overall debt position in Rupee terms without the Group having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Group's receivables in foreign currency. In order to hedge exchange rate risk, the Group has a policy to hedge its payable up to a specific tenure using forward exchange contracts.

All hedging activities are carried out in accordance with the Group's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Group operates.

The carrying amounts of the Group's monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency exposure as at 31st March, 2020

(₹ Crores)

Particulars	CHF	USD	EURO	AED	INR	Total
Financial assets						
Cash and cash equivalents	-	-	-	14.98	72.48	87.46
Bank balances other than cash and cash equivalents	-	-	-	23.96	2.77	26.73
Trade receivables	-	-	-	11.70	411.99	423.69
Loans	-	-	-	0.04	116.91	116.95
Non current investments	-	-	-	-	320.20	320.20
Other financial assets	-	-	-	0.01	31.66	31.67
Total Financial assets	-	-	-	**50.69**	**956.01**	**1,006.70**
Financial liabilities						
Long term borrowings	-	-	-	266.80	1,916.80	2,183.60
Short term borrowings	-	-	-	-	347.26	347.26
Trade payable	0.03	1.86	2.53	123.60	659.76	787.78
Other financial liabilities	-	-	-	92.30	1,120.12	1,212.42
Total financial liabilities	**0.03**	**1.86**	**2.53**	**482.70**	**4,043.94**	**4,531.06**

Currency exposure as at 31st March, 2019

(₹ Crores)

Particulars	CHF	USD	EURO	AED	INR	Total
Financial assets						
Cash and cash equivalents	-	-	-	11.12	22.64	33.76
Bank balances other than cash and cash equivalents	-	-	-	1.69	1.81	3.50
Trade receivables	-	-	-	-	395.57	395.57
Loans	-	-	-	0.04	386.34	386.38
Non current investments	-	-	-	-	28.86	28.86
Other financial assets	-	-	-	-	40.01	40.01
Total Financial assets	**-**	**-**	**-**	**12.85**	**875.23**	**888.08**
Financial liabilities						
Long term borrowings	-	-	-	-	2,120.04	2,120.04
Short term borrowings	-	-	-	-	151.68	151.68
Trade payable	0.02	82.65	0.76	54.61	590.43	728.47
Other financial liabilities	-	-	18.09	49.68	612.79	680.56
Total financial liabilities	**0.02**	**82.65**	**18.85**	**104.29**	**3,474.94**	**3,680.75**

V) Commodity price risk

The Group purchases its raw material in the open market from third parties. The Group is therefore subject to fluctuations in prices for the purchase of Clinker. The Group purchased substantially all of its Clinker from third parties in the open market during the year.

If Clinker import price had been 1 US Dollar higher / lower and all other variables were constant, the Group's profit for the year ended 31st March, 2020 would decrease / increase by ₹ 4.71 Crores (for the year ended 31st March, 2019: decrease / increase by ₹ 1.56 Crores).

35. OTHER NOTES

a) CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF DISPUTED CLAIMS/ LEVIES:

(₹ Crores)

Sr. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
i)	Differential custom duty in respect of Import of Steam Coal	22.50	22.50
ii)	Excise Duty & Service tax credit in respect of capital goods and input services & other excise duty related matters	47.71	53.79
iii)	Cess under the Building and other Constructions Workers Act, 1946	2.00	1.05
iv)	VAT exemption on sales made to SEZ unit & Other VAT/CST related Matter	1.35	1.82
v)	Entry Tax	0.09	0.09
vi)	Income Tax	5.05	4.72
	Total	**78.70**	**83.97**

b) COMMITMENTS

(₹ Crores)

Sr. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
i)	Estimated amount of Contract remaining to be executed on capital accounts and not provided for (net of advances)	702.89	549.61

c) In the opinion of the Management, the current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the Consolidated Balance Sheet in the ordinary course of business. Provisions are for all known liabilities and same is adequate and not in excess of what is required.

d) EMPLOYEE SHARE BASED PAYMENTS PLANS:

The Parent Company has provided share-based payment schemes to its employees. The details of share based payment arrangement are as under:

Employee Stock Ownership Plan, 2016

Particulars	Year ended March 31st 2020	Year ended March 31st 2019
Date of Grant:		
1st Grant	1st April, 2016	1st April, 2016
2nd Grant	1st April, 2017	1st April, 2017
3rd Grant	1st April, 2018	1st April, 2018
4th Grant	1st April, 2019	
Grants for share of JSW Cement Ltd		
Grants outstanding as at the beginning of the year	20,440,793	8,823,782
Grants given during the year	4,574,887	13,488,024
Grants forfeited during the year	1,344,439	1,871,013
Grants exercised during the year	-	-
Grants outstanding as at end of the year	23,671,241	20,440,793
Vesting period		
1st Grant	From 1st April, 2016	From 1st April, 2016
	31st March, 2017	31st March, 2017
2nd Grant	From 1st April, 2017	From 1st April, 2017
50%	31st March, 2020	31st March, 2020
Remaining 50%	31st March, 2021	31st March, 2021
3rd Grant	From 1st April, 2018	From 1st April, 2018
50%	31st March, 2021	31st March, 2021
Remaining 50%	31st March, 2022	31st March, 2022
4th Grant	From 1st April, 2019	
50%	31st March, 2022	-
Remaining 50%	31st March, 2023	
Method of settlement	Cash	Cash

The exercise price for the grants are as under:

1) 1st Grant – ₹ 7.59/ grant (40,65,150 grants)
2) 2nd Grant – ₹ 9.62/ grant (41,37,929 grants)
3) 3rd Grant – ₹ 9.50/ grant (108,93,275 grants)
4) 4th Grant – ₹ 10.46/ grant (45,74,887 grants)

Expenses arising from Employees' Share based payment plans debited to Consolidated Statement of Profit & Loss Account ₹ 2.42 Crores (Previous Year ₹ 3.72 Crores)

e) DERIVATIVES: HEDGED CURRENCY RISK POSITION

The Group uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments.

i) The forward exchange contracts entered into by the Group and outstanding are as under:

As at	No. of Contracts	Type	USD equivalent (million)	₹ Crores equivalent
31st March, 2020	4	Buy	11.62	87.88
31st March, 2019	6	Buy	11.95	83.19

ii) The foreign currency exposures that have not been hedged by derivative instruments or otherwise as at Balance Sheet date as given below:

Sr. No	Particulars	EURO equivalent (million)	USD equivalent (million)	₹ Crores equivalent
a)	Pending Capital Commitments			
	As at 31st March, 2020	-	-	-
	As at 31st March, 2019	2.33	-	18.09
b)	Supplier's/ Buyers' Credit			
	As at 31st March, 2020	-	1.69	12.71
	As at 31st March, 2019	-	-	-
c)	Interest Accrued but not due on Suppliers'/ Buyers' Credit			
	As at 31st March, 2020	-	0.10	0.75
	As at 31st March, 2019	-	0.02	0.16

iii) The foreign currency exposures that have been hedged by derivative instruments or otherwise as at Balance Sheet date are:

Sr. No	Particulars	USD equivalent (million)	₹ Crores equivalent
a)	Import of Raw Material & Fuel		
	As at 31st March, 2019	-	-
	As at 31st March, 2018	8.70	60.18
b)	Suppliers'/ Buyers' Credit		
	As at 31st March, 2020	11.58	87.59
	As at 31st March, 2019	3.25	22.47
c)	Interest Accrued but not due on Suppliers'/ Buyers' Credit		
	As at 31st March, 2020	0.02	0.16
	As at 31st March, 2019	-	-

f) EMPLOYEE BENEFITS:

i) Defined Contribution Plan:

The Group operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the Group in funds under the control of the trustee. The defined benefit plans are administered by a separate trust that is legally separated from the entity.

ii) Defined Benefit Plans

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit of 15 days salary for each year of service until the retirement age of 58 and 60 without any payment ceiling. The vesting period for Gratuity as payable under "The Payment of Gratuity Act" is 5 years.

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Group due to death, retirement, superannuation or resignation at the rate of daily salary, as per current accumulation of leave days.

The plans in India typically expose the Group to actuarial risks such as: investment risk, interest rate risk, demographic risk and salary risk.

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest Rate Risk	The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in consolidated financial statements).
Demographic Risk	The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Salary Escalation Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2020 by external agencies. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

iii) Defined Benefit Plans – Gratuity: Funded

(₹ Crores)

Particulars	As at 31st March, 2020 Funded	As at 31st March, 2019 Funded
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	7.28	5.71
Acquisition adjustment		
Service Cost	1.60	1.34
Interest Cost	0.56	0.45
Actuarial (gain)/loss on obligation	0.59	0.16
Benefits paid	(0.56)	(0.38)
Closing Balance	**9.47**	**7.28**
b. Changes in Fair Value of Plan assets:		
Opening Balance of Fair Value of Plan Assets	6.21	4.14
Expected Return on Plan assets less loss on investments	0.48	0.32
Actuarial gain / (loss) on Plan Assets	(0.09)	0.05
Employers' Contribution	1.75	2.08
Benefits paid	(0.57)	(0.38)
Closing Balance	**7.78**	**6.21**
c. Net Asset/(Liability) recognised in the Consolidated Balance Sheet:		
Present Value of obligations	(9.47)	(7.28)
Fair Value of plan asset	7.78	6.21
Net Asset/(Liability) recognised in the Consolidated Balance Sheet	**(1.69)**	**(1.07)**
d. Expenses during the Year:		
Service cost	1.60	1.34
Interest cost	0.56	0.45
Expected Return on Plan assets	(0.48)	(0.32)
Component of defined benefit cost recognized in the consolidated statement of Profit & Loss	**1.68**	**1.47**
Component of defined benefit cost recognized in consolidated Other comprehensive income	**0.69**	**0.10**
Total	**2.37**	**1.57**
e. Break up of Plan Assets as a percentage of total plan assets:		
Insurer Managed Funds – Value (99.99%)		
Bank (0.01%)	**7.78**	**6.21**
f. Principal actuarial assumptions:		
Rate of Discounting	6.8% p.a.	7.7% p.a.
Rate of increase in salaries	6.0% p.a.	6.0% p.a.
Attrition Rate	2.0% p.a.	2.0% p.a.
g. Breakup of Plan Assets		
HDFC Group Unit Linked Plan - Option B	1.18	1.13
HDFC Life Stable Management Fund	1.16	1.09
HDFC Life Defensive Managed Fund	0.62	0.58
Canara HSBC OBC Life Group Traditional Plan	4.81	3.40
Bank balance	0.01	0.01
Total	**7.78**	**6.21**

In assessing the Group's post retirement liabilities, the Group monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC Ultimate Tables 2006-08.

The Group has created irrevocable trust named "JSW Cement Employees' Gratuity Trust" for providing gratuity benefits to the employees and current year contribution to the trust is ₹ 1.75 Crores (Previous Year ₹ 2.08 Crores).

iv) Experience adjustments

(₹ Crores)

Particulars	As at 31st March, 2020 Funded	As at 31st March, 2019 Funded	As at 31st March, 2018 Funded	As at 31st March, 2017 Funded	As at 31st March, 2016 Funded
Defined Benefit Obligation	9.47	7.28	5.72	4.32	3.49
Plan Assets	7.78	6.21	4.14	3.12	1.86
Deficit	(1.69)	(1.07)	(1.58)	(1.20)	(1.63)
Experience Adjustments on Plan Liabilities–Loss/(Gain)	(0.30)	0.08	0.61	0.15	0.09
Experience Adjustments on Plan Assets–Loss/(Gain)	0.09	(0.05)	(0.01)	(0.10)	0.03

a) The Group expects to contribute ₹ 3.62 Crores to its gratuity plan for the next year.

b) In assessing the Group's post retirement liabilities, the Group monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC Ultimate Tables 2006-08.

c) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

d) The salary growth rate indicated above is the Group's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

e) Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of obligation after considering several applicable factors such as composition of plan assets, investment strategy, market scenario etc.

v) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ Crores)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(8.48)	10.64	(6.57)	8.11
Future salary growth (1% movement)	10.64	(8.47)	8.12	(6.56)
Attrition rate (1% movement)	9.49	(9.44)	7.35	(7.20)
Mortality rate (1% movement)	9.47	9.47	7.29	(7.28)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same as that applied in calculating the defined benefit obligation recognised in Consolidated Balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Maturity Profile of Defined Benefit Obligation

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Weighted average duration (based on discounted cash-flows)	12 Years	11 years
1 Year	0.41	0.62
2 to 5 Year	2.25	1.75
6 to 10 Year	3.87	3.22
More than 10 Years	17.60	14.52

vi) Defined Benefit Plans – Gratuity: Non-Funded

(₹ Crores)

Particulars	As at 31st March, 2020 Non-Funded	As at 31st March, 2019 Non-Funded
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	1.27	1.19
Acquisition adjustment		
Service Cost	0.08	0.08
Interest Cost	0.10	0.09
Actuarial (gain)/loss on obligation	0.26	0.01
Benefits paid	(0.12)	(6.10)
Closing Balance	**1.59**	**1.27**
b. Net Asset/(Liability) recognised in the Consolidated Balance Sheet:		
Present Value of obligations	(1.59)	(1.27)
Fair Value of plan asset	-	-
Net Asset/(Liability) recognised in the Consolidated Balance Sheet	**(1.59)**	**(1.27)**
c. Expenses during the Year:		
Service cost	0.08	0.08
Interest cost	0.10	0.09
Expected Return on Plan assets	-	-
Component of defined benefit cost recognized in the Consolidated statement of Profit & Loss	**0.18**	**0.17**
Component of defined benefit cost recognized in Consolidated Other comprehensive income	**0.19**	**0.02**
Total	**0.37**	**0.19**
d. Principal actuarial assumptions:		
Rate of Discounting	6.2%p.a.	7.50%p.a.
Rate of increase in salaries	6.0% p.a.	6.0% p.a.
Attrition Rate	2.0% p.a.	2.0% p.a.

In assessing the Group's post retirement liabilities, the Group monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC Ultimate Tables 2006-08.

i) Experience adjustments

(₹ Crores)

Particulars	As at 31st March, 2020 Unfunded	As at 31st March, 2019 Unfunded	As at 31st March, 2018 Unfunded	As at 31st March, 2017 Unfunded	As at 31st March, 2016 Unfunded
Defined Benefit Obligation	1.60	1.27	1.19	138.19	124.16
Deficit	(1.60)	(1.27)	(1.19)	(138.19)	(124.16)
Experience Adjustments on Plan Liabilities–Loss/(Gain)	0.15	-	0.01	0.01	(0.07)
Experience Adjustments on Plan Assets–Loss/(Gain)	-	-	-	-	-

ii) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ Crores)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	1.51	1.70	1.20	1.34
Future salary growth (1% movement)	1.70	1.51	1.35	1.20
Attrition rate (1% movement)	1.60	1.60	1.28	1.26
Mortality rate (1% movement)	1.60	1.60	1.27	1.27

iii) Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cash flows) : 5 years

Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31st March, 2020	0.29	0.93	1.32	2.55
As at 31st March, 2019	0.16	0.85	1.19	2.20

iv) Employee End of Service Benefit

(₹ Crores)

Employee end of Service Benefit	As at 31st March, 2020	As at 31st March, 2019
Balance at the Beginning of the Year	0.08	-
Add- Charge of the period	0.42	0.08
Less- Paid during the period	-	-
Balance end of the period as on 31st March, 2020	**0.50**	**0.08**

Amount required to cover end of service benefits at the statement of financial position date are computed pursuant to the applicable Labour Law based on the employees' accumulated period of service and current basic remuneration at the end of reporting period.

v) Provident Fund:

Under defined contribution plans, provident fund, the Group pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund set up as trust and certain state plans like Employees' State Insurance. The Group's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

Group's contribution to Provident Fund recognized in Consolidated Statement of Profit and Loss ₹ 5.78 Crores (Previous Year ₹ 3.72 Crores)

Group's contribution to ESIC recognized in Consolidated Statement of Profit and Loss ₹ 0.10 Crores (Previous Year ₹ 0.11 Crores).

Compensated Absences

Assumptions used in accounting for compensated absences

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Present value of obligation	8.61	6.48
Expense recognized in Consolidated Statement of Profit or loss	3.16	2.29
Discount rate (p.a.)	6.20 to 6.80%	7.50 - 7.7%
Salary escalation (p.a.)	6.00%	6.00%

g) SEGMENT REPORTING:

The Group is primarily in the business of manufacturing and sale of cement and cement related product. As per IND AS 108 "Operating Segments" specified under Section 133 of the Companies Act 2013, there are no other reportable business applicable to the Group.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below.

a) Revenue from operations

(₹ Crores)

Particulars	For Year ended 31st March, 2020	For Year ended 31st March, 2019
Within India	2923.36	2663.02
Outside India	4.15	59.21
Total	**2927.51**	**2722.23**

Revenue from operations have been allocated on the basis of location of customers

b) Non-current operating assets

(₹ Crores)

Particulars	As at 31st March, 2020			As at 31st March, 2019		
ASSETS	Within India	Outside India	Total	Within India	Outside India	Total
(a) Property, plant and equipment	3,055.44	0.44	3,055.88	2,839.33	0.65	2,839.98
(b) Capital work-in-progress	449.85	469.73	919.58	301.76	89.72	391.48
(c) Other intangible assets	20.09	-	20.09	21.68	-	21.68
(d) Intangible assets under development	0.35	-	0.35	0.27	-	0.27
(e) Goodwill	217.30	-	217.30	217.30	-	217.30
(f) Financial assets	-	-		-	-	
(i) Investments	320.20	-	320.20	28.86	-	28.86
(ii) Loans	5.18	-	5.18	38.73	-	38.73
(iii) Other financial assets	5.95	-	5.95	0.10	-	0.10
(g) Deferred tax assets(net)	33.32	-	33.32	24.36	-	24.36
(h) Income tax assets(net)	4.47	-	4.47	5.92	-	5.92
(i) Other non-current assets	121.81	114.00	235.81	151.60	107.19	258.79
Total non-current assets	**4,233.96**	**584.17**	**4,818.13**	**3,629.91**	**197.56**	**3,827.47**

h) RELATED PARTIES DISCLOSURE AS PER INDIAN ACCOUNTING STANDARD (IND AS)-24:

A) List of Related Parties

1. Holding Company

Adarsh Advisory Service Private Limited

2. Enterprises under common control/ exercising significant influence with whom the Group has entered into transactions during the year

JSW Steel Limited
JSW Energy Limited
JSoft Solutions Limited
JSW Power Trading Company Limited (Formerly known as JSW Green Energy Limited)
JSW Steel Coated Products Limited
JSW Techno Projects Management Limited
Amba River Coke Limited
Dolvi Coke Project Limited
JSW International Tradecorp PTE Limited
JSW Bengal Steel Limited
JSW Steel (Salav) Limited
Descon Limited
JSW Dharamtar Port Private Limited
JSW Global Business Solutions Limited (formerly known as Sapphire Technologies Limited)
South-West Mining Limited
JSW IP Holdings Private Limited
JSW Sports Private Limited
Gopal Traders Private Limited
JSW Foundation
JSW Realty and Infrastructure Private Limited
JSW Projects Limited
JSW Sever field Structures Limited
Art India Publishing Company Private Limited
Tranquil Homes & Holdings Private Limited
JSW Jaigarh Port Limited
JSW Paints Private Limited
JSW Structural Metal Decking
Sajjan Jindal Trust
JTPM Metal Traders Private Limited
JSW GMR Cricket Private Limited
JSW Bengaluru Football Club
Unicon Merchants Pvt Ltd

3. Key Managerial Personnel

Mr. Parth Jindal (Managing Director)
Mr. Nilesh Narwekar (Whole Time Director & CEO)
Mr. Narinder Singh Kahlon (Parent Company Chief Financial Officer)
Mr. Rahul Dubey (Company secretary)
Manoj Rustagi (Whole Time Director)
Girish Menon (Chief Financial Officer)
Sneha Bindra (Company secretary)

B) Nature of transactions:

(₹ Crores)

Transactions during the Year	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Purchase of Goods/ Power & Fuel/ Services:		
JSW IP Holdings Private Limited	8.14	2.94
JSW Steel Limited	62.32	84.29
JSW Energy Limited	120.72	79.87
JSW Steel Coated Products Limited	2.47	1.22
South - West Mining Limited	0.03	-
JSW International Tradecorp PTE Limited	93.84	41.53
JSW Dharamtar Port Private Limited	6.26	7.92
Amba River Coke Limited	11.58	8.13
JSW Power Trading Co. Limited	7.80	17.29
JSW Global Business Solutions Limited	7.47	7.02
Art India Publishing Company Private Limited	-	0.05
JSW GMR Cricket Private Limited	0.09	-
JSW Bengaluru Football Club	0.00	-
JSW Sports Private Limited	0.49	-
	321.21	**250.26**
Lease rent paid:		
JSW Steel Limited	3.08	2.95
JSW Bengal Steel Limited	1.74	1.49
Descon Limited	1.12	0.88
JSW Realty and Infrastructure Private Limited	0.37	0.27
Tranquil Homes & Holdings Private Limited	0.52	0.49
	6.83	**6.08**
Lease Rent Received:		
JSW Steel Limited	-	5.81
		5.81
Donation/ CSR expense:		
JSW Foundation	2.02	0.15
	2.02	**0.15**
Purchase of Assets:		
JSW Steel Limited	-	12.39
Reimbursement of expenses:		
JSW Steel Limited	12.26	9.31
JSW Bengal Steel Limited	-	0.83
JSW Realty and Infrastructure Private Limited	0.04	0.03
JSW Energy Limited	0.89	0.63
JSW Foundation	0.06	0.30
Descon Limited	-	0.02
	13.25	**11.12**
Sales of Goods / Other Income:		
JSW Steel Limited	354.59	186.08
JSW Steel Coated Products Limited	19.48	25.70
JSW Energy Limited	0.77	1.98
Amba River Coke Limited	1.16	0.38
Dolvi Coke Project Limited	3.43	14.50
JSW Dharamtar Port Private Limited	0.64	0.03
JSW Techno Projects Management Limited	0.38	1.13
JSW Steel (Salav) Limited	0.04	0.07
JSW Jaigarh Port Limited	0.16	0.31
JSW Paints Private Limited	2.72	4.95
JSW Severfield Structures Ltd.	1.57	0.30
JSW Project Limited	0.21	0.08
JSW Foundation	0.09	0.01
JSW Realty & Infrastructure Pvt Ltd	3.94	1.68
Gopal Traders Private Limited	0.03	0.02
	389.21	**237.22**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

(₹ Crores)

Transactions during the Year	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest income on Loan/Deposit given to		
JSW Global Business Solutions Limited	0.33	0.41
JSW Sports Private Limited	26.94	23.75
Reynolds Traders Private Limited	-	0.31
Sajjan Jindal Trust	-	0.02
JSW Steel Limited	0.16	0.12
JSW Energy Limited	0.23	-
	27.66	**24.61**
Purchase of Equity Share		
JSW Energy Limited	5.54	-
Investment in 9% Optionally Convertible Debenture:		
JSW Sports Private Limited	309.00	-
Recovery of expenses:		
JSW Energy Limited	1.26	0.83
JSW Bengal Steel Ltd	0.59	0.17
	1.85	**1.00**
Deposit given		
JSW Steel Limited	-	10.32
JSW Realty and Infrastructure Private Limited	1.09	0.90
JSW Power Trading Company Limited	0.20	-
	1.29	**11.22**
Loan given		
JSW Global Business Solutions Limited		-
JSW Sports Private Limited	10.00	206.25
Sajjan Jindal Trust	-	9.00
JTPM Metal Trader Private Limited	20.00	-
	30.00	**215.25**
Loan Given- Received Back		
JSW Global Business Solutions Limited	1.32	-
JSW Sports Private Limited**	285.00	-
Reynolds Traders Private Limited	-	2.89
Sajjan Jindal Trust	-	9.00
	286.32	**11.89**
Capital Advance Given		
Shivom Minerals limited	-	0.50
	-	**0.50**

* Amount includes duties and taxes

** The figures represent conversion of loan into Debentures of JSW Sports Private Limited

Compensation to Key Management Personnel

(₹ Crores)

Nature of transaction	FY 2019-20	FY 2018-19
Short-term employee benefits	9.62	7.14
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	**9.62**	**7.14**

I. As the future liability for gratuity is provided on an actuarial basis for the Group as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

Terms and Conditions

Sales :

The sales to related parties are in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31st March, 2020, the Group has not recorded any loss allowances of trade receivable from related parties.

Purchases:

The purchases from related parties are in the ordinary course of business. Purchase transactions are based on normal commercial terms and conditions and market rates.

Loan to Related Party:

a) **Loans to other related parties-**

The Group had given loans to other related parties for general corporate purposes. The loan balances as at March 31st, 2020 was Amounting ₹ 22.43 Crores. These loans are unsecured and carry an interest rate 9.50% to 11% per annum and repayable within one to three years.

b) **Lease Rent paid to Related Party :**

For Vijaynagar Plant- Lease rent paid to JSW Steel Limited Vijaynagar works towards construction on lease land under sub-lease agreements, for 150 Acres of land situated at Tornagallu village, District Bellary Karnataka at an annual rent of ₹ 0.60 Crores.

For Dolvi Plant- Lease rent paid to JSW Steel Limited, Dolvi Works towards construction, for 20.55 Acres of land situated at Dolvi, District Raigad, Maharashtra at an annual rent of ₹ 2.30 Crores.

The Group had entered into arrangement with JSW Bengal Steel Limited to take on rent Guest House & accommodation facility for business purpose amounting to ₹ 1.47 Crores for period of 10 years, renewable at option of both the parties.

The Group had entered into arrangement with JSW Reality Infrastructure Private Limited for period of 25 years to take on rent accommodation facility for business purpose in its integrated township amounting to ₹ 0.41 Crores, renewable at option of both the parties.

c) **Lease rent received from related party:**

The Group had entered into lease arrangement for renting machinery with JSW Steel Limited amounting to ₹ Nil (previous year: ₹ 5.81 Crores) for a period of one year.

C) Closing Balances:

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade Payables:		
JSW Steel Limited	6.99	13.18
JSW Energy Limited	77.58	35.36
JSoft Solutions Limited	-	0.66
South - West Mining Limited	0.00	0.00
JSW International Tradecorp PTE Limited	0.12	-
Amba River Coke Limited	2.08	1.37
JSW Power Trading Co. Limited	0.46	-
JSW Global Business Solutions Limited	1.34	1.68
JSW IP Holding Private Limited	3.52	1.11
JSW Dharamtar Port Private Limited	5.53	1.98
JSW Realty and Infrastructure Private Limited	0.17	0.59
Tranquil Homes & Holding Private Limited	0.08	0.11
JSW Foundation	0.12	-
Descon Limited	0.13	-
	98.12	**56.04**
Deposit Given		
JSW Bengal Steel Limited	2.50	2.50
JSW IP Holdings Private Limited	0.10	0.10
JSW Steel Limited	10.32	10.32
JSW Realty and Infrastructure Private Limited	1.98	0.90
	14.90	**13.82**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advances Given		
JSW Steel Coated Products Limited	0.04	0.05
JSW Power Trading Company Limited	1.66	1.87
JSW Bengal Steel Limited	0.04	0.20
Descon Limited	-	0.14
JSW Foundation	0.35	-
JSW Power Trading Company Limited	0.32	-
JSW Steel Limited	13.31	-
	15.72	**2.26**
Trade Receivables:		
JSW Steel Limited	70.57	81.25
JSW Steel Coated Products Limited	8.90	1.71
JSW Jaigarh Port Limited	0.16	0.34
Dolvi Coke Project Limited	0.67	4.08
JSW Techno Projects Management Limited	0.11	0.58
JSW Dharamtar Port Private Limited	0.62	0.30
JSW Paints Private Limited	0.29	0.59
Amba River Coke Limited	0.86	0.29
JSW Steel (Salav) Limited	-	0.01
JSW Foundation	0.10	0.01
JSW Realty and Infrastructure Private Limited	-	1.04
JSW Severfield Structures Limited	0.26	0.26
Gopal Traders Private Limited	0.01	0.01
JSW Projects Limited	0.13	0.08
	82.68	**90.55**
Advance Received		
JSW Realty and Infrastructure Private Limited	0.02	-
JSW Energy Limited	0.18	-
	0.20	**-**
Investments held by the Group		
JSW Energy Limited	11.20	17.31
JSW Steel Limited	-	11.13
JSW Sports Private Limited	309.00	-
	320.20	**28.44**
Other Receivables		
JSW Steel Limited	8.42	5.81
	8.42	**5.81**
Loan given		
JSW Global Business Solutions Limited	2.43	3.75
JSW Sports Private Limited	-	275.00
JTPM Metal Trader Private Limited	20.00	-
	22.43	**278.75**
Interest receivable on Loan given		
Sajjan Jindal Trust	0.02	0.02
JSW Global Business Solutions Limited	-	0.47
JSW Sports Private Limited	0.25	21.72
JTPM Metal Trader Private Limited	0.02	-
	0.29	**22.21**
Capital Advances		
Shivom Minerals Limited	-	2.76
	-	**2.76**

i) **LEASE:**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

Operating leases

For transition, the Group has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Group has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right-of-use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Group has used a single discount rate to a portfolio of leases with similar characteristics. On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount and discounted using the lessee's incremental borrowing rate as at April 1st, 2019. Accordingly, a right-of-use asset of ₹ 238.00 Crores (As at April 01, 2019) and a corresponding lease liability of ₹ 214.16 Crores (as on March 31st, 2020) has been recognized. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 9.5% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

One of the Group Company has adopted the standard beginning April 1st, 2019, using the modified retrospective approach for transition. Accordingly, respective Company has not restated the comparative information, instead the cumulative effect of initially applying the standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1st, 2019. This has resulted in recognizing a "Right of use asset" of ₹ 1.44 Crores, reversal of other assets of ₹ 1.76 Crores and a corresponding "Lease liability" of ₹ 0.06 Crores by adjusting retained earnings of ₹ 0.27 Crores (net of taxes ₹ 0.10 Crores) as at April 1st, 2019.

Consequently in the consolidated statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease "Rent" under "Other expenses" in previous period to "Depreciation and amortisation expense" for the right of use assets and "Finance cost" for interest accrued on lease liability. As a result, the "Rent", "Depreciation and amortization expense" and "Finance cost" of the current period is not comparable to the earlier periods.

Group as a lessor

The Group is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor. The Group accounted for its leases in accordance with Ind AS 116 from the date of initial application.

The details of the right-of-use asset held by the Group is as follows.

(₹ Crores)

Particular	Additions for the year ended 31st March, 2020	Net carrying amount as at 31st March, 2020
Leasehold land	25.12	22.64
Leasehold property	30.50	23.16
Power plant	183.82	178.92
Total	**239.44**	**224.72**

Depreciation on right to use assets is as follows:

(₹ Crores)

Particular	For the year ended 31st March, 2020
Leasehold land	2.48
Leasehold property	7.34
Power plant	4.90
Total	**14.72**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

Interest on right to use assets is as follows:

₹ Crores

Particular	For the year ended 31st March, 2020
Leasehold land	1.18
Leasehold property	2.40
Power plant	11.56
Total	**15.14**

The Group incurred ₹ 1.36 Crores for the year ended March 31st, 2020 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 31.47 Crores for the year ended March 31st, 2020, including cash outflow for short term and low value leases. The Group has lease term extension options that are not reflected in the measurement of lease liabilities. Lease contracts entered by the Group majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Group does not have any lease restrictions and commitment towards variable rent as per the contract.

Ind AS 116 in its transition provision permits not to apply this Standard to contracts that were contracts not previously identified as containing a lease applying Ind AS 17 and gone ahead with what was concluded in FY 2019. Hence, in light of above, Group has availed this exemption with respect to the long term Power Purchase Agreement (PPA) entered by Group for power with Solar PV plants.

j) INCOME TAX EXPENSE:

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. For each fiscal year, the Group's profit or loss is subject to the higher of the regular income tax payable or the minimum alternative tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for investment allowance, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 30% plus a surcharge and education cess. MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2019-20 is 17.47%. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

(₹ Crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Current tax:		
Current Tax	42.56	36.96
Tax/(Reversal)pertaining to earlier year	0.10	-
Deferred tax:		
Deferred Tax (Asset) / Liability	75.16	46.56
Minimum Alternate Tax Credit Entitlement	(42.66)	(36.96)
Total deferred tax	**32.50**	**9.60**
Total Tax Expense	**75.16**	**46.56**

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

(₹ Crores)

Particular	For the Year ended	
	31st March, 2020	31st March, 2019
Profit Before Tax	229.79	136.92
Enacted Tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	**80.29**	**47.84**
Tax effect of:		
Income exempt from taxation	(0.14)	51.43)
Expense not deductible in determining taxable profit	56.22	3.59
Allowance for goodwill on consolidation	(108.95)	-
Tax provision/(reversal) of earlier year	-	-
Others	(27.41)	-
Total Tax effect	**(80.28)**	**(47.84)**

(₹ Crores)

Particular	For the Year ended	
	31st March, 2020	31st March, 2019
Deferred tax on account of		
Property, Plant & Equipment & Other Intangible Asset.	140.44	33.88
Unabsorbed losses	13.98	8.45
Financial Assets, Liabilities and Other Item	(78.95)	4.28
Deferred Tax	**75.47**	**46.61**
Deferred tax on OCI	**(0.31)**	**(0.05)**
Tax Expense recognised in Consolidated Statement of Profit and Loss	**75.16**	**46.56**
Effective Tax Rate	**32.71%**	**34.01%**

Deferred tax assets / liabilities

Significant component of deferred tax assets/ (liabilities) recognised in the Consolidated Financial Statements are as follows:

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax (Liability)/ Asset (Net)	(176.41)	(101.33)
MAT Credit entitlement	164.52	121.85
Balance at the end of the year	**(11.89)**	**20.52**

Deferred Tax comprises of timing differences on account of:

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Liabilities		
Depreciation	(576.17)	(435.72)
Amortised cost of Borrowing & payable for capital project	70.84	(5.24)
	(505.33)	**(440.95)**
Deferred Tax Assets		
Expense allowable on payment basis	4.68	13.25
Provision for doubtful debts	0.41	0.18
Unabsorbed depreciation and business loss	312.29	326.28
Others	11.54	(0.09)
	328.92	**339.62**
Deferred Tax Asset/ (Liability) (net)	**(176.41)**	**(101.33)**

Movement in MAT Credit entitlement

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	121.86	90.00
Add: MAT credit entitlement availed during the year	42.56	36.97
Less: Reversal of MAT credit entitlement	-	(0.81)
Add: MAT credit pertains to earlier year	0.10	-
Balance at the end of the year	**164.52**	**121.86**

Group expects to utilize the MAT credit within a period of 15 years

Deferred tax assets on carry forward business loss/unabsorbed depreciation have been recognised to the extent of deferred tax liability on taxable temporary differences available. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax asset.

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in consolidated other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

k) REMUNERATION TO AUDITORS OF PARENT COMPANY

(₹ Crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Audit Fees		
Statutory Audit	0.30	0.30
Tax Audit	-	-
Certification & Out of pocket expenses	0.01	0.03
Total	**0.31**	**0.33**

l) EARNINGS PER SHARE (EPS):

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i. Profit attributable to Equity holders of Parent Company

(₹ Crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Profit attributable to equity holders of the Parent Company:	154.31	90.31
Profit attributable to equity holders of the Parent Company adjusted for the effect of dilution	154.31	90.31

ii. Weighted average number of ordinary shares of Parent Company

Particulars	31st March, 2020 Nos	31st March, 2019 Nos
Issued ordinary shares at April 1st	98,63,52,230	98,63,52,230
Effect of shares issued for cash	-	-
Weighted average number of shares at March 31st for basic EPS	**98,63,52,230**	**98,63,52,230**

iii. Effect of Dilution

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Share Application Money	-	-
Convertible preference shares	-	-
Weighted average number of shares at March 31st	**98,63,52,230**	**98,63,52,230**

iv. Basic and Diluted earnings per share

(Amount in ₹)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Basic earnings per share	1.56	0.92
Diluted earnings per share	1.56	0.92

m) DETAILS OF LOANS, GUARANTEES AND INVESTMENTS COVERED UNDER THE PROVISIONS OF SECTION 186 OF THE ACT.

(₹ Crores)

Particulars	Party	2019-20		2018-19	
		Max amount O/s during the year	Closing Balance	Max amount O/s during the year	Closing Balance
Loan	JSW Global Business Solutions Private Limited	3.02	2.42	3.75	3.75
	Reynolds Traders private Limited	-	-	2.89	-
	JTPM Metal Traders Pvt Ltd	20.00	20.00	-	-
	Monnet Ispat & Energy limited	25.11	25.11	26.25	25.11
	Jindal Steel and Power Limited	21.57	20.37	22.77	21.57
	Jasani Realty Private limited	57.17	42.76	55.97	55.97
	JSW Sports Private Limited	285.00	-	275.00	275.00
Total		**411.87**	**110.66**	**386.63**	**381.40**
Investments	JSW Energy Limited	-	11.20	-	17.31
	JSW Steel Limited	-	-	-	11.13
	JSW Sports Private Limited	-	309.00	-	-
Total		**-**	**320.20**	**-**	**28.44**

Details of investment made by the Group are given under note 6.

n) REVENUE RECOGNISED FROM CONTRACT LIABILITY (ADVANCES FROM CUSTOMERS):

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Closing Balance of Contract Liability	12.39	11.95
Revenue recognised from Contract liability	11.94	2.78

o) DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

(₹ Crores)

Sr. No.	Particulars	As on 31st March, 2020	As on 31st March, 2019
1	Amount required to be spent as per Section 135 of the Act	3.26	2.36
2	Amount spend during the year on:	-	-
	(i) Construction / acquisition of an asset	-	-
	(ii) On purpose other than (i) above	3.82	4.63
	Total	**3.82**	**4.63**

p) DISCLOSURE PERTAINING TO MICRO, SMALL AND MEDIUM ENTERPRISES (AS PER INFORMATION AVAILABLE WITH THE GROUP):

(₹ Crores)

Sr. No.	Particulars	As on 31st March, 2020	As on 31st March, 2019
1	Principal amount due outstanding as at 31st March	6.15	4.77
2	Interest due on (1) above and unpaid as at 31st March	0.09	-
3	Interest paid to the supplier	-	-
4	Payments made to the supplier beyond the appointed day during the year	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid as at 31st March	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

q) ACQUISITION OF SHIVA CEMENT LIMITED

On 30th June, 2017, the Parent Company acquired control over Shiva cement limited (SCL), associate company (49.41% equity stake) through acquisition of additional 4.12% of the equity shares in a phased manner. Shiva Cement limited is a listed company based in Rourkela and is primarily engaged in the business of manufacture and sale of cement, clinker and trading of allied products. The acquisition has been accounted by applying the acquisition method and accordingly the underlying assets, liabilities, equity, income, expenses and cash flows of Shiva Cement limited have been combined after giving effect to necessary adjustments in the Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

Fair values of the identifiable assets and liabilities of Shiva Cement Limited as at the date of acquisition

(₹ Crores)

Particulars	Amount
Assets	
Property, plant and equipment (net)	140.51
Capital work in progress	0.17
Other intangible assets	10.46
Other non-current financial asset	2.22
Deferred tax asset	7.11
Other non-current asset	15.02
Inventories	9.63
Trade receivable	2.71
Cash and bank balances	1.91
Other current financial asset	0.55
Other current assets	4.14
Total assets (A)	**194.43**
Liabilities	
Long term borrowings	89.35
Long term provision	4.24
Short term borrowings	10.87
Trade payable	7.03
Other current financial liability	13.14
Other current liability	3.90
Short term provision	0.36
Total liabilities (B)	**128.89**
Acquisition date fair value of net assets C = (A-B)	**65.54**

Re-measurement of the Group's previously held 49.41% stake in Shiva cement limited

(₹ Crores)

Particulars	Amount
Carrying value of Group's 49.41% stake in Shiva Cement Limited as on the acquisition date (D)	131.52
Proportionate fair value of the Group's previously held stake (E)	229.92
Resulting gain charged to the Consolidated Statement of Profit and Loss (F=D-E)	**98.40**

Goodwill recognised with respect to investment in Subsidiary

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Acquisition date fair value of net assets (A)	-	35.35
Fair value of consideration (previously held stake and balance stake acquired) (B)	-	252.65
Goodwill on acquisition recognised as asset (B-A)	-	217.30

Allocation of goodwill to cash generating units: Limestone mines

At present, Shiva Cement plant is operating at a very low capacity due to lack of demand for cement from its unit at Rourkela. To overcome this group is carrying out major advertising and re-branding exercise which should increase sales & improve profitability.

Strategically Shiva Cement was acquired for its limestone mine in ore rich belt at Khatkurbal, Rajgangpur, Odisha. The group intends to ramp up the clinkerisation facility at Rourkela plant and supply clinker to its grinding unit at Salboni, West Bengal & upcoming facility at Jajpur, Orissa. This will reduce the group dependency on imported clinker and reduce its exposure to adverse movement of international clinker prices & currency rates. This strategy should drastically improve the profitability of the East Zone operations.

r) SUBSIDIARIES

Details of the group's subsidiaries at the end of the reporting period are as follows:

(₹ Crores)

Name of the subsidiaries	Place of incorporation	Proportion of ownership interest and voting power held by the group		Principal activity
		As at 31st March, 2020	As at 31st March, 2019	
Shiva Cement limited	India	54.44%	54.44%	Manufacturing
JSW Cement FZE	UAE	100%	100%	Manufacturing
Utkarsh Transport Private limited	India	100%	100%	Transport service
JSW Green Cement Private Limited	India	100%	-	Manufacturing

s) NON-CONTROLLING INTEREST

Financial information of Shiva Cement Limited

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-current assets	193.84	184.66
Current assets	17.52	17.02
Non-current liabilities	17.40	32.66
Current liabilities	187.74	139.50
Equity attributable to owners of the company	3.39	27.64
Non-controlling interest	2.83	13.44

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Revenue	32.54	29.72
Expenses	63.17	58.78
Loss for the year	(22.83)	(21.26)
Loss attributable to owners of the company	(12.43)	(11.57)
Loss attributable to the non-controlling interests	**(10.40)**	**(9.69)**
Loss for the year	(22.83)	(21.26)
Other Comprehensive income attributable to owners of the company	(0.10)	(0.01)
Other Comprehensive income attributable to the non-controlling interests	(0.09)	(0.00)
Other Comprehensive income for the year	**(0.19)**	**(0.01)**
Total Comprehensive income attributable to owners of the company	(12.53)	(11.58)
Total Comprehensive income attributable to the non-controlling interests	(10.49)	(9.69)
Total Comprehensive income for the year	**(23.02)**	**(21.27)**

(₹ Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Net cash inflow (outflow) from operating activities	(11.17)	(4.84)
Net cash inflow (outflow) from investing activities	(6.33)	(2.84)
Net cash inflow (outflow) from financing activities	17.44	7.67
Net cash inflow (outflow)	(0.06)	(0.00)

t) During the year, one of the subsidiaries has incurred losses, consequently eroding the net-worth. Based on management future plans of exploring various avenues of enhancing revenues which are expected to improve the performance of the company, the financial statements continue to be prepared on a going concern basis for that respective subsidiary company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

u) DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE PARENT COMPANY, SUBSIDIARY, ASSOCIATES AND JOINT VENTURE AS PER SCHEDULE III OF COMPANIES ACT,2013.

(₹ Crores)

Name of the Entity	Net Asset i.e. total assets minus total liabilities		Share in Profit or loss		Share in Other Comprehensive income		Share in Total Comprehensive income	
	As % of Consolidated net Asset	Amount	As % of Consolidated profit/(Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent								
JSW Cement Limited	86	1,309.66	103.06	159.03	(200.19)	(10.77)	92.84	148.26
Subsidiary								
Indian								
Shiva Cement Limited	0	3.39	(8.06)	(12.43)	(1.86)	(0.10)	(7.85)	(12.53)
Utkarsh Trasport Pvt Ltd	0	(2.73)	(1.42)	(2.19)	0.00	-	(1.37)	(2.19)
JSW Green Cement Pvt Ltd	0	0.01	0.00	(0.00)	0.00	-	0.00	(0.00)
Foreign								
JSW Cement FZE	14	215.56	13.16	20.30	303.72	16.34	22.95	36.64
Non controlling interest in subsidiaries	0	2.83	(6.74)	(10.40)	(1.67)	(0.09)	(6.57)	(10.49)
Total	**100**	**1,528.72**	**100**	**154.31**	**100**	**5.38**	**100**	**159.69**

v) Previous year figures have also been reclassified/regrouped, wherever necessary, to conform to current year's classification.

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No. 144084
UDIN: 20144084AAAABH2124

Place: Mumbai
Date: 29th May, 2020

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Sneha Bindra
Company Secretary

FINANCIAL HIGHLIGHTS - STANDALONE

AS AT 31st MARCH, 2020

	2015-16 (IGAAP)	2016-17 (IND AS)	2017-18 (IND AS)	2018-19 (IND AS)	2019-20 (IND AS)
Revenue Accounts (₹ in Crore)					
Gross Turnover	1,435.4	1,586.1	1,646.3	2,647.3	**2,761.2**
Net Turnover	1,272.0	1,414.8	1,595.7	2,647.3	**2,761.2**
Operating EBIDTA	291.4	306.5	337.0	450.9	**591.6**
Other Income	17.8	91.6	33.1	65.6	**54.8**
Tota Income	1,289.8	1,506.4	1,628.8	2,712.9	**2,816.0**
Depreciation & Amortisation	56.9	53.6	73.2	107.3	**134.9**
Finance Costs	132.6	134.1	190.7	235.7	**265.4**
Profit Before Taxes	119.7	210.4	106.2	173.5	**246.0**
Provision for Taxation	30.4	96.3	15.5	55.1	**84.3**
Profit After Taxes	89.3	114.1	90.7	118.5	**161.8**
EBIT	252.2	344.5	296.9	409.2	**511.5**
COGS	980.7	1,108.3	1,258.7	1,296.4	**2,169.6**
Total EBIDTA	309.2	398.1	370.1	516.5	**646.4**
Gross Fixed Assets	1,552.6	1,815.6	2,655.7	3,190.3	**3,549.3**
Net Fixed Assets	1,298.1	1,509.6	2,276.8	2,706.1	**2,930.1**
Debt *	1,051.8	1,781.2	2,186.4	2,533.9	**2,671.7**
Net Debt	1,033.8	1,659.9	1,894.8	2,510.7	**2,597.7**
Shareholders' Funds	422.3	550.6	1,171.7	1,293.8	**1,447.2**
Ratios					
Book Value per Share(₹)	9.37	12.22	11.88	13.08	**14.63**
Earning per Share [Basic & Diluted (₹)]	1.99	2.53	1.46	1.20	**1.64**
Fixed Asset Turnover Ratio	0.98	0.94	0.70	0.98	**0.94**
Operating EBIDTA Margin	22.9%	21.7%	21.1%	17.0%	**21.4%**
Interest Service Coverage Ratio	1.90	2.57	1.56	1.74	**1.93**
Net Debt to Equity Ratio	2.45	3.01	1.62	1.94	**1.79**
Net debt to operating EBIDTA	3.55	5.42	5.62	5.57	**4.39**

*** Excluding Acceptances**

FINANCIAL HIGHLIGHTS - CONSOLIDATED

AS AT AND FOR THE YEAR ENDED 31st MARCH, 2020

	2015-16 (IGAAP)	2016-17 (IND AS)	2017-18 (IND AS)	2018-19 (IND AS)	2019-20 (IND AS)
Revenue Accounts (₹ in Crore)					
Gross Turnover	1,435.4	1,586.1	1,669.5	2,722.2	**2,927.5**
Net Turnover	1,272.0	1,414.8	1,618.1	2,722.2	**2,927.5**
Operating EBIDTA	291.4	306.5	328.5	440.5	**601.8**
Other Income	17.8	91.6	122.6	49.6	**40.4**
Tota Income	1,289.8	1,506.4	1,740.7	2,771.8	**2,967.9**
Depreciation & Amortisation	56.9	53.6	81.1	166.1	**144.7**
Finance Costs	132.6	134.1	195.4	237.1	**267.7**
Exceptional Item	-	-	10.1	-	
Profit Before Taxes	119.7	210.4	164.5	136.9	**229.8**
Provision for Taxation	30.4	96.3	6.7	46.6	**75.5**
Profit for the year	89.3	110.5	157.8	90.3	**154.3**
COGS	980.7	1,108.3	1,289.6	2,281.7	**2,325.7**
Total EBIDTA	309.2	398.1	451.1	490.1	**642.2**
Capital Accounts (₹ in Crore)					
Gross Fixed Assets	1,552.6	1,815.6	2,816.2	3,368.5	**3,732.3**
Net Fixed Assets	1,298.1	1,509.6	2,423.4	2,861.7	**3,076.0**
Debt *	1,051.8	1,558.7	2,186.4	2,548.7	**2,956.1**
Net Debt	1,033.8	1,432.8	1,891.8	2,511.5	**2,841.9**
Shareholders' Funds	422.3	546.5	1,273.5	1,366.9	**1,528.7**
Ratios					
Book Value per Share(₹)	9.37	12.13	12.91	13.82	**15.46**
Earning per Share [Basic & Diluted (₹)]	1.99	2.45	2.42	0.92	**1.56**
Fixed Asset Turnover Ratio	0.98	0.94	0.67	0.95	**0.95**
Operating EBIDTA Margin	22.9%	21.7%	20.3%	16.2%	**20.6%**
Interest Service Coverage Ratio	1.90	2.57	0.81	0.38	**0.58**
Net Debt to Equity Ratio	2.45	2.62	1.49	1.84	**1.86**
Long term debt to EBIDTA	3.55	4.68	5.76	5.70	**4.72**
*** Excluding Acceptances**					

NOTES

Cement

If undelivered, please return to:

JSW Cement Limted

JSW Centre, Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051

Tel: 022 4286 1000,
Fax: 022 4826 3000

CIN: U26957MH2006PLC160839