Annual Report
2020-21

Resilient today.

Better tomorrow.

Better Everyday

JSW Cement

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

Shri O.P. Jindal
August 7, 1930 - March 31, 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 and carrying it forward to greater heights.

Partnering India's development story

Part of the $13 billion JSW Group with interests in steel, cement, infrastructure, energy, venture capital, paints and sports, JSW Cement is fast advancing as one of India's leading manufacturers of sustainable cement.

Supported by our strong parentage, we, at JSW Cement, uphold a strong commitment towards innovation in sustainability and technology. With a production capacity of 14 MTPA, we are present in markets across western, eastern and the southern parts of the country. We are further equipped to expand our capabilities to reach a 25 MTPA production capacity in the next two years.

We are contributing relentlessly towards building an Atmanirbhar Bharat by offering world-class cement. Inspired by our Group's commitment to be #BetterEveryday, we are geared to create enduring value for the nation.

14 MTPA
Capacity

2
Integrated units

4
Grinding units

1
Clinker unit (Fujairah, UAE)

4,100+
Dealer network

1,200+
Employees

11 states
Presence

What is inside?

Read more at
www.jsw.in/cement

Resilient today, better tomorrow

FY 2020-21 was fraught with challenges, but it also witnessed the resilience of the human spirit to combat a once-in-a-century crisis. At JSW Cement, we salute the spirit of resilience that India as a nation demonstrated to the world.

Our collective resilience was reflected in the way we managed our operations, as we embarked on stringent cost management on the one hand, while extending care towards our people and the community at large to combat the pandemic.

Our strong business model with deep market presence helped us combat the pandemic-induced disruptions, much faster than we had expected. While the first half of the year remained muted, we saw significant traction in demand in the second half, leading to an average capacity utilisation of 57% for the full year, compared to 54% in FY 2019-20.

The pandemic gave us an opportunity to take a sharper look into our processes to refine processes, eliminate bottlenecks and accelerate digital adoption to put in place a leaner, smarter, nimbler and more efficient ecosystem to better address the priorities and challenges of tomorrow. We embarked on Project Kshamata, which aimed to streamline our marketing and branding efforts. The result was an impressive 32% growth in revenues, 36% growth in EBITDA and 62% growth in PAT compared to that of FY 2019-20. The strength of our brand and our focus on increasing the share of premium products were reflected in 23% growth in average realisations during the year.

Despite short-term challenges induced by the pandemic, India's growth story remains largely intact, with the government's continued focus and higher budgetary allocations on the infrastructure and construction sector, and revival of private capex. We will continue to contribute to that exciting story through our business and corporate citizenship efforts. We are committed to help build a better tomorrow for all stakeholders responsibly and sustainably.

Our strategic priorities

Capacity expansion
Ramping up production to reach our 25 MTPA target

Superior products
Delivering the best-in-class products to our customers

Operational efficiency
Adopting the latest technological advancements to improve efficiency

Enhanced brand visibility
Investing in branding projects through partnerships and collaborations

Environment protection
Curtailing our impact on the environment through adopting green initiatives

Read more on page 46

CORPORATE OVERVIEW
RESILIENCE AT THE CORE
OUR APPROACH TO VALUE CREATION
BUSINESS ENABLERS
EVALUATING OUR IMPACT
STATUTORY REPORTS
FINANCIAL STATEMENTS

Snapshot FY 2020-21

Resolute performance, despite headwinds

The pandemic had severely impacted the overall business environment and consumer sentiment. However, our proactive measures around business continuity and supporting our teams helped our business navigate the challenges and report commendable performance across parameters.

Financial

₹3,858 Cr
Revenue
↑32%

₹819 Cr
EBITDA
↑36%

₹250 Cr
PAT
↑62%

₹2.53
Earnings Per Share
↑62%

6%
RoCE

Operational

7.92 MT
Cement production and GGBS
↑5%

57%
Capacity utilisation

8.01 MT
Cement sales and GGBS
↑7%

Sustainability

200 KG
Scope-1 Net CO_2 emissions per tonne of cementitious materials

~23,345 Tonnes
of alternate fuel consumed

81 LTR
Fresh water withdrawal per tonne of cementitious material

3.15%
Share of Renewable Energy in Total Power Consumption

1,10,700+
Lives benefited

₹4.88 Cr
CSR expenditure

Corporate overview

IN THIS SECTION

We are deeply invested in the India growth story. Our resilient performance during the year gives us the confidence to further improve our processes and innovate progressively to help build a New India. Our state-of-the-art facilities and technological advancements provide us the firepower to expand to new markets and target new customer segments.

Who we are

Capability and commitment to grow

Since inception, we at JSW Cement have positioned ourselves as one of India's leading manufacturers of green 'sustainable' cement. We are committed to contribute towards building an *Atmanirbhar Bharat* with our world-class, durable cement.

We offer our customers a diverse portfolio of products: Portland Slag Cement (PSC), Ground Granulated Blast Furnace Slag (GGBS), Ordinary Portland Cement (OPC), Concreel HD and Composite Cement (CC). Our use of advanced technology and breakthrough innovation help us produce 'green cement' that ensures reduced waste generation and maximum utilisation of industrial by-products.

Our reliable and skilled workforce helps us manufacture sustainable and low carbon-based cement. We employ talent coming from diverse backgrounds with varied skillsets, whose combined efforts have made our Company what it is today.

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

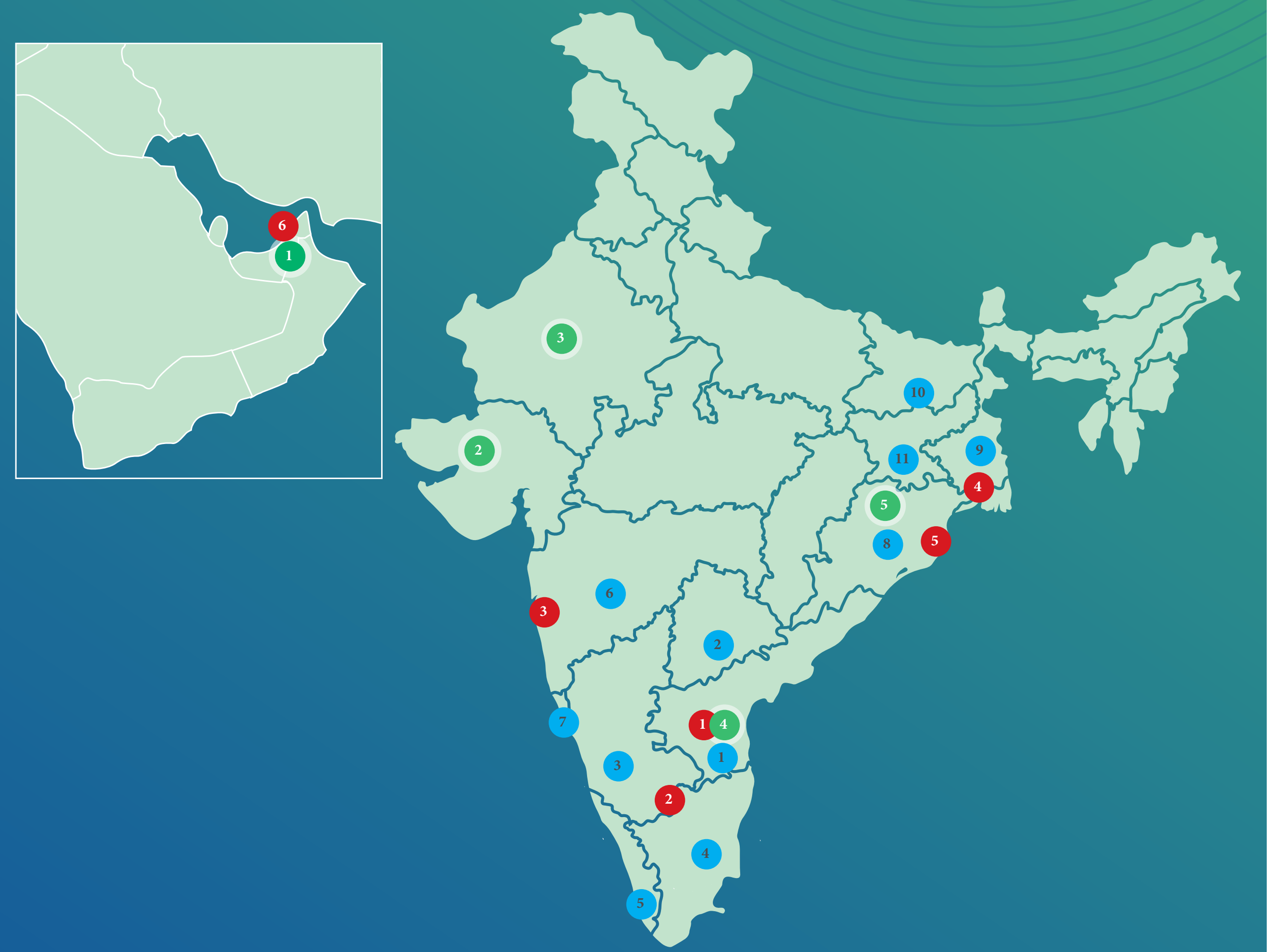
JSW One – harnessing the Group's capabilities

JSW One has been launched by the Group to integrate the distribution and supply chain expertise across the steel and cement businesses. The products have a common set of customers, and the initiative will help streamline and maximise the depth and expanse of JSW Group's sales and supply chain network.

JSW One will also combine the Group's expertise across the product portfolio to provide comprehensive service capabilities to its customers. Our customers need TMT rebars, cement and steel roofs to construct their houses as well as paint to beautify their homes. JSW Group is the only conglomerate worldwide, which offers steel, cement and paints as a comprehensive offering to our customers. JSW One enables us to alter the way we market our products to our customers.

Our expanding sphere of operations

Our innovative products, solutions and services and advanced manufacturing processes help address the requirements of complex and highly scalable projects across the southern, western and eastern regions of the country.



Facilities

1 Vijayanagar
Grinding Unit: 3.2 MTPA
Drymix mortar plant
0.3 MTPA of cementitious products
2 Nandyal
Integrated Unit: 4.8 MTPA
3 Dolvi
Grinding Unit: 2.2 MTPA
4 Salboni
Grinding Unit: 2.4 MTPA
5 Jajpur
Grinding Unit: 1.2 MTPA
6 Shiva Cement
Integrated Unit: 0.2 MTPA
7 Fujairah, UAE
Clinker capacity: 1.0 MTPA

Mines

1 Fujairah, UAE
2 Kutch, Gujarat, India
3 Nagaur district, Rajasthan, India
4 Nandyal, Andhra Pradesh, India
5 Khatkurbahal, Odisha, India (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

Wide range of innovative and sustainable products

At JSW Cement, our focus remains on offering products, which helps strengthen structures, while being environment-friendly.

We have built our expertise in manufacturing 'green' cement products and are developing more cement and cementitious mixes, which are both economical and environment friendly.

Portland Slag Cement (PSC)

PSC is a blended cement conforming to IS 455:2015. It is most suitable for residential, commercial and industrial projects. At JSW Cement, we use the slag produced at our steel manufacturing plants, along with clinker and gypsum to create PSC, using state-of-the-art technology through roller press and vertical roller mill. It has also been acknowledged as the most suitable cement for mass construction, because of its low heat of hydration.

Ordinary Portland Cement (OPC)

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

Ground Granulated Blast Furnace Slag (GGBS)

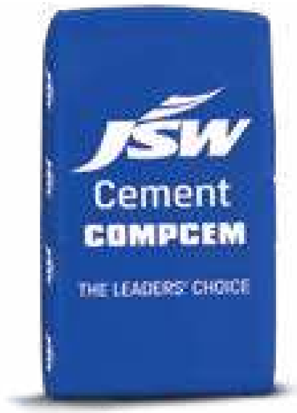
The chemical composition of GGBS can result in the production of a unique supplementary cementitious product, which makes it perfect for structural concrete construction. It can be used as partial replacement of OPC in concrete production at Ready Mix Concrete (RMC) batching and site batching plants. Since it contributes towards sustainable concrete construction, GGBS is regarded as a 'green' building material. GGBS conforms to IS 16714:2018.

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.

Composite Cement

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



Screened Slag

Screened slag/Slag sand is an alternate 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 only. 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. Screened slag 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.

Ready Mix Concrete

Ready Mix Concrete is ready to use concrete, mixed in a stationary mixer in an automated batching plant and supplied in a fresh condition to the customer sites through transit mixers. Production, Supply and Quality compliance of RMC is conforming to IS 4926:2003. RMC comes in different grades from M05 to M100, based on the project site requirements. RMC helps to fast tract construction activities with consistent quality.

JSW Construction Chemicals

A dry mix mortar plant is set up at the Vijayanagar plant designed to produce 0.3 MnT of cementitious powder products. The product unit has operating equipment with high efficiency, consisting of a plough shear mixer which blends all the raw materials such as cement, slag sand and chemical additives.

The positioning of the unit is of strategic importance as it reduces transportation cost of loading and unloading the raw materials such as cement and slag sand. The plant is integrated with storage and coupled with weight control systems to ensure maximum output with negligible quality deviations.

JSW Cement has entered the construction chemical sector with the launch of a green product range. This range comprises 'Enduro Plast' readymix plaster, 'Krysta Leakproof' integral crystalline waterproofing compound and 'Duraflor' floorhardner. Almost 80-95% of raw materials of these products are obtained from the waste by-products of the steel industry.

By manufacturing such products, we align our business operations with a circular economy. We are constantly reducing waste and emissions, while producing 0.3 MnT of green building products and about 0.15 MnT of clinker requirements.

Some of these products include:

'Enduro Plast' Ready Mix Plaster

Enduro Plast is a single component ready mix plaster, which can replace the conventional segregated mix of sand, cement, aggregates and additives. This eco-friendly product is obtained from the steel manufacturing by-product extracts to provide a superior grade of wall plastering product with superior waterproofing properties.

'Duraflor' Floor Hardener

Duraflor is a green product developed with engineered slag sand designed for high impact and abrasion resistant chemical powder. The product is primarily broadcasted over freshly laid concrete for heavy usage floors.

'Krysta Leakproof' Integral Crystalline Waterproofing

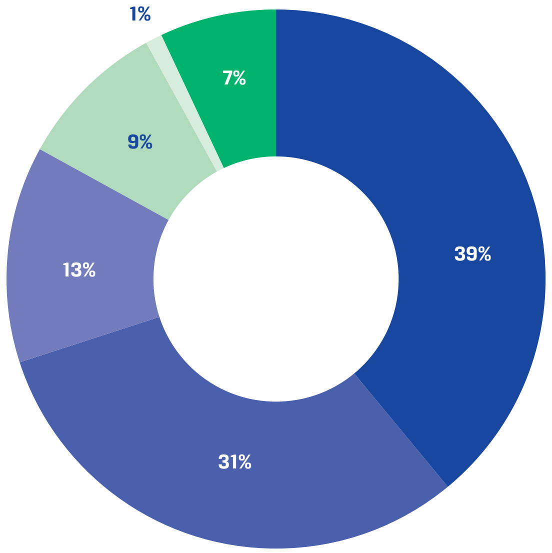
The product is used for covering leakages in susceptible areas of water seepage in concrete structures. It is designed to have resistance and is added during concreting of water retaining structures as a preventive measure to save building structures from damage in the near future.

JSW Concrete

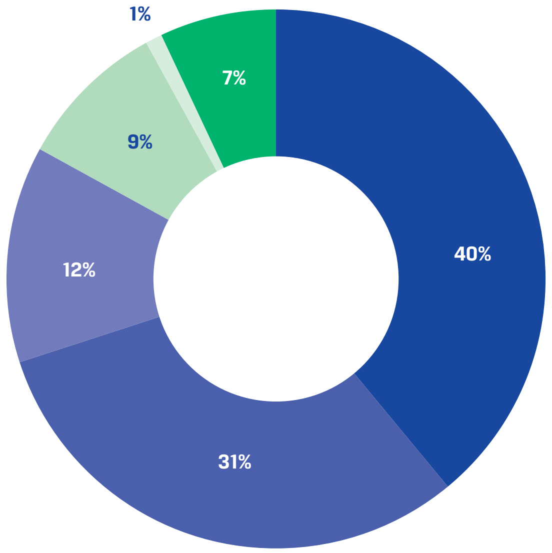
JSW Cement has launched its first RMC commercial unit in Chembur, Mumbai, and has entered the Ready Mix Concrete (RMC) business under the brand name JSW Concrete. JSW RMC business also develops green products focussing on unique eco-friendly concrete of various grades, which are both strong and durable in nature.

Product-wise highlights

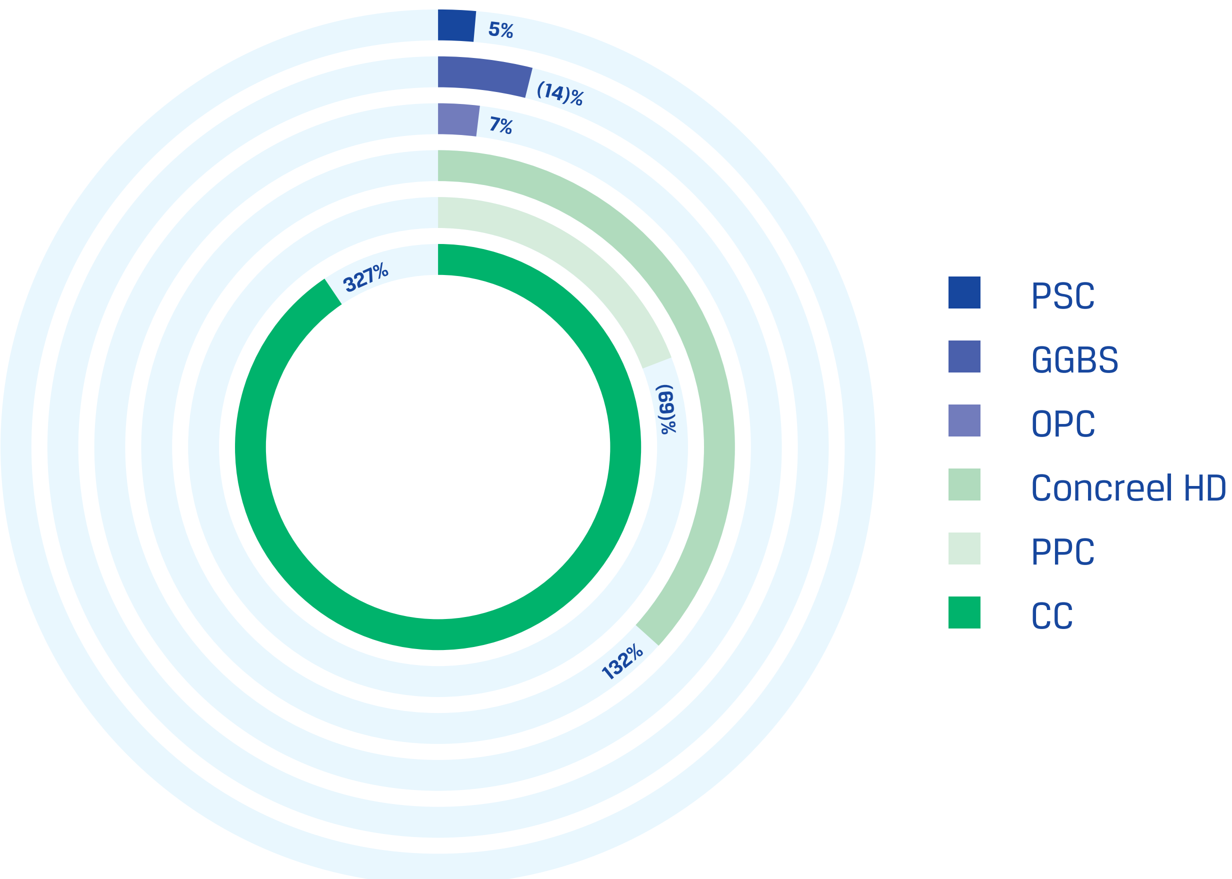
Product-wise production volumes (%) (excluding clinker)



Product-wise sales volumes (%) (excluding clinker)



Product-wise sales volume growth (%)

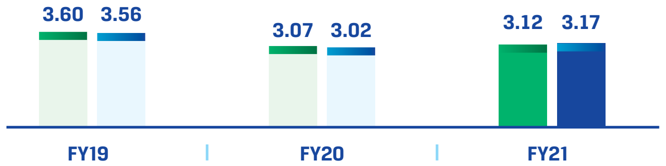


20% Cement

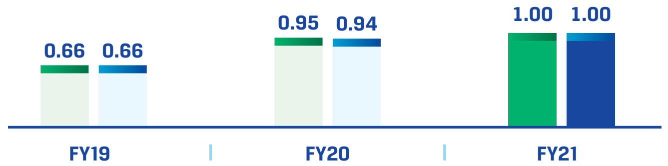
(14)% GGBS

7% Overall

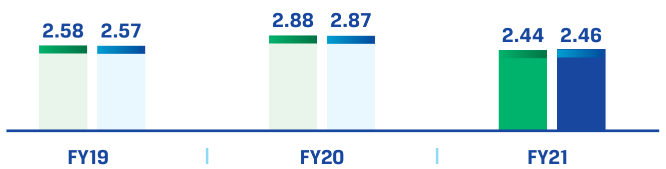
Portland Slag Cement (PSC)



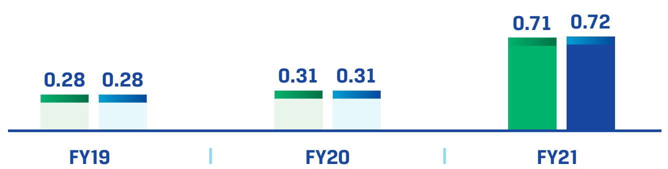
Ordinary Portland Cement (OPC)



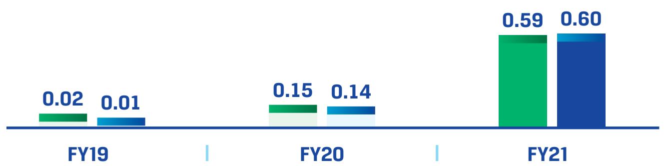
Ground Granulated Blast Furnace Slag (GGBS)



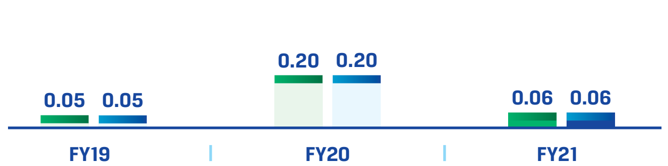
Concreel HD



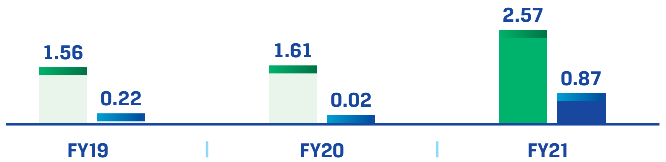
Composite Cement



Portland Pozzolana Cement (PPC)



Clinker



Production
Sales

Note: FY 2021 Includes trial run production - 0.28 mtpa & Sales - 0.31 mtpa for Fujariah, UAE and cement trial run production – 0.15 MTPA & Sales 0.20 MTPA for Jajpur, Odisha.

Strong fundamentals, stronger growth ambition

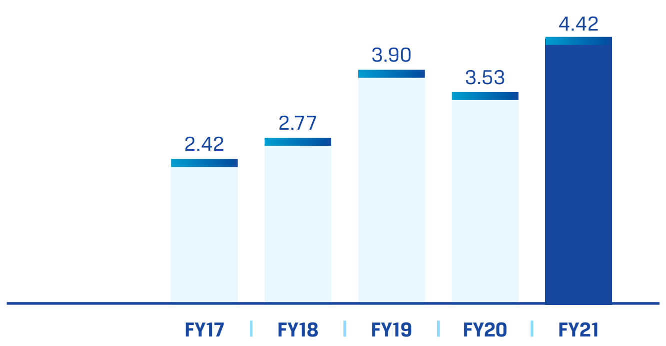
With a wide portfolio of diverse products and an expanding market presence across India, we at JSW Cement are well positioned to expand our capacity from 14 MTPA to 25 MTPA in the near future. We are accelerating our growth pivots with a focus on sustainable business practices to emerge as one of the leading green cement players in India and overseas.

1. Green Cement

We are the leading manufacturers of green cement in India, which reinforces our contribution to the circular economy. Easy access and availability to slag is one the crucial drivers of production. Slag enhances the quality of concrete produced, which is effective in reducing the permeability of concrete and increasing its durability.

Green Cement Production

Growth over the years MT



2. Expanding market reach and growth

Over the years, through our robust strategic initiatives we have been able to expand our reach to over various cities in the country. The Government of India has also laid impetus on the growth of the cement sector through allocation to infrastructure projects and initiatives under the Pradhan Mantri Awas Yojna. We are well positioned to benefit from these initiatives and also taking proactive steps to enhance capacity to take advantage of growing demand.

Capacity expansion plans

0.8 MTPA
Grinding capacity at Vijayanagar, Karnataka

1.2 MTPA
Grinding capacity at Salboni, West Bengal

0.8 MTPA
Grinding capacity at Salem, Tamil Nadu.

3. Mine to market

We have ample stock of limestone mines that are accessible through our integrated plants and grinding units. We get ample supply and easy access to slag for the production of green cement. The accessibility of raw materials has enabled us to strategically offer a wide array of products and cater to the growing demand from our focused markets.

2
Integrated units

4
Grinding units

1
Clinkering unit

4. Sustained efforts on ESG performance

We produce best-in-class products, while consistently improving our ESG performance through prudent management of our operations and engaging with all stakeholders.

15,21,828*
Net Scope-1 CO_2 emissions

6,18,370 m³
Water consumed

23,345 tonnes
Alternate fuel consumed

1,10,700+
Lives impacted

*Note: Our CO_2 emissions are 3 million MT less than national average.

Resilient at the core

IN THIS SECTION

We have demonstrated resilience throughout the year, seizing opportunities to strengthen our core operations and streamlining business for the entire fraternity of our stakeholders.

Resilient despite headwinds

FY 2020-21 was a challenging year to say the least, and the pandemic-induced disruptions adversely impacted businesses and the economy. All our units were completely shut off for a few days, resulting in zero cement and cementitious materials production.

We demonstrated strong resilience in the first few months of the pandemic. Building goodwill in the community and our stakeholders across all our plants. We consolidated our capabilities, mobilised our resources and supported our teams and all other stakeholders.

Through grit and determination, we turned this period of crisis into an opportunity. We strengthened our digital capabilities through Project Kshamata, further supported by the adoption of Artificial Intelligence, digitalisation of logistics under Project Terrain, Project Aiykam and the most successful of them is the JSW SAATHI App.

We have streamlined our business processes and provided critical support to our stakeholders, right from our dealers to our customers and safeguarding our employees against the pandemic.

The entire team of JSW Cement turned into COVID warriors, volunteering to contribute their bit to safeguarding lives. We were also able to build an emotional connect with our audiences during the pandemic, hence improving our brand value.

Once the markets gradually opened we couldn't service the pent-up demand. Our products sold out in Q3 and Q4 FY2021, which enabled us to accomplish record growth, despite the challenging external environment. Our resilience had truly paid off.

The Company has not only stood with the community during the year, but has also expanded its capacities across the country and beyond to reach its 25 MTPA vision. Amid the overwhelming uncertainties, we at JSW Cement have stood resilient in the face of adversity, improving the way we operate, beginning new initiatives and strengthening our overall performance.

Progressing with all stakeholders responsibly

Dear Stakeholders,

The world is fighting the COVID-19 pandemic for more than a year now, with varying levels of success. The global drive towards vaccinating the population is a big step towards eradicating the parent virus and all its mutant variants, which are still posing significant downside risks to economies and businesses globally. Sustained stimulus measures by governments, accommodative monetary policy by central banks and the momentum of vaccination are nurturing an uneven global recovery.

The Indian economy, which was firmly on the path of recovery in the second half of FY 2020-21 was adversely impacted by a more severe second wave of COVID-19. The country's healthcare infrastructure was under severe stress and localised lockdowns had to be imposed again to restrict mobility and prevent the virus from infecting a large proportion of the population.

Although the fundamentals of the Indian economy continue to remain strong, the Government of India's sustained focus on the infrastructure sector leading to large-scale generation of business and employment opportunities will augur well for the economy, going forward. India's real growth estimate for FY 2021-22 according to the Reserve Bank of India (RBI) is 9.5%, and the country's cement sector will play the role of a positive catalyst in ensuring that growth.

A gradual upswing in both rural and urban construction projects with the easing of lockdowns is expected to drive demand in the cement sector. Rural housing is also likely to be supported by the higher MSP for kharif crop, increased procurement by Government agencies and improved food grain production in rabi harvest.

At JSW Cement, we have implemented various measures to protect our teams and serve our customers across markets. Innovation has always been a very critical lever of our progress. We will continue to step up our investments to enhance the scale of our innovation to offer our customers a wider and more impressive range of sustainable products and solutions.

We have delivered a decent performance during the year, despite the headwinds, and our cashflow continues to grow with every incremental capacity. We believe that COVID-19 has reinforced the importance of building eco-friendly and sustainable businesses. We will continue to play our role as a responsible corporate citizen by following sound mining practices, undertaking technology-driven innovation, utilising more of renewable energy and disposing waste responsibly. The community needs more empowerment and support in these testing times, and we will continue to fulfil the aspirations of the communities we work with.

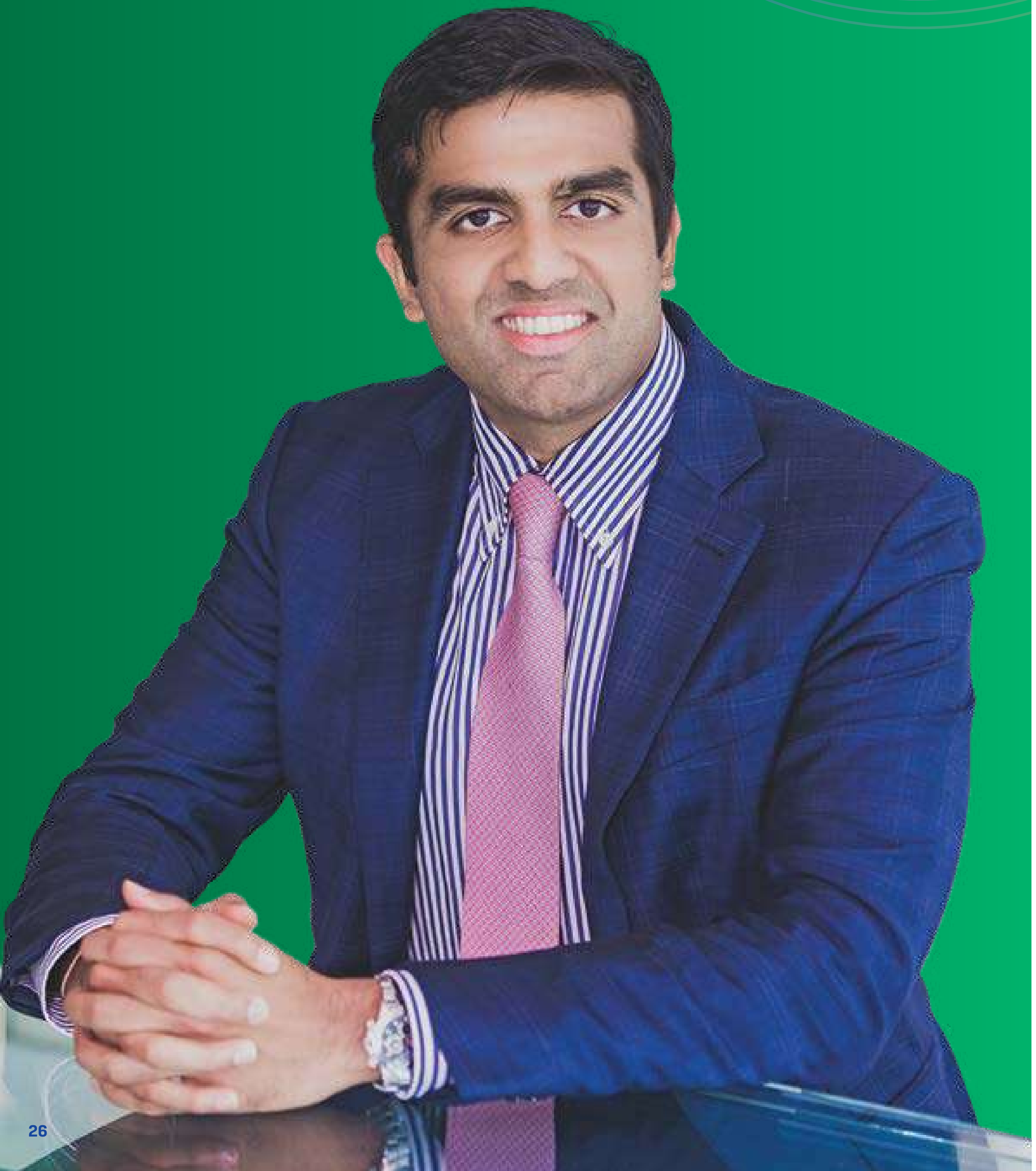
I take this opportunity to thank our esteemed stakeholders for their constant support and unflinching trust in our capabilities. It is your invaluable trust that motivates us to move forward and keep doing what we do best.

Sincerely,

Nirmal Kumar Jain
Chairman

From the MD's desk

Committed to build a better future



Dear Stakeholders,

I sincerely wish that all of you and your families are in the best of health.

At JSW Cement, we recognise our responsibility to successfully navigate through the hardships faced during the past year. Notwithstanding challenges, we reiterate our commitment to help build a better and more prosperous India and deliver value responsibly now and into the future.

Despite the challenges, JSW Cement has stayed true to its vision and has managed to deliver. 'Resilient today, Better tomorrow', the theme of the Report echoes our strong commitment to our purpose of building an Atmanirbhar Bharat.

Steady performance in a difficult year

During the first half of FY 2020-21, the lockdown had serious implications on our business operations. We had to even shut down our operations for a few days. However, with the gradual reopening of the economy, our performance improved in the third quarter of FY 2020-21.

Pent-up demand in the economy, coupled with Government of India's impetus on infrastructure, affordable housing, metro and railway development programmes helped create a positive macro dynamic. These tailwinds helped us significantly grow our revenue during the year. It touched ₹3,858 crore, a growth of 32% over FY 2019-20, along with an EBITDA of ₹819 crore, a 36.04% growth.

We have been able to establish ourselves among the prominent cement players in the southern, eastern and western regions of India, and aim to expand our footprint in the northern markets as well.

JSW One and Aikyam are proud initiatives which the Group has undertaken, which are aimed at streamlining business operations through synergising Group efforts, to maximise output, while optimising resources. Though it's a recent initiative, we are getting tangible results in the retail market. Through JSW One and Aikyam, we have access to a wider customer base, allowing maximum sales and increased productivity.

Fast-tracking our next phase of growth

We strongly believe that the Indian economy will rebound from the pandemic and continue on its growth path in the medium to long term. The cement industry, as an integral part of the economy, will also see substantial growth in demand and we have therefore decided to increase our cement capacity from the current 14 MTPA to 25 MTPA. Our ambition is to rank among the top 5 cement companies in India and to this end, we will continue to explore further organic and inorganic growth opportunities in the coming years.

We plan to add around 11 MTPA of cement grinding capacity as well as 2.1 MTPA of clinker capacity across east, west and south India. We have already made substantial progress towards this goal - projects are already underway in Salboni, Vijayanagar, Dolvi, Nandyal, Salem and at Shiva Cement. Further, we have a strong focus to ensure all the projects are executed in a capital efficient and timely manner.

During FY 2020-21, we initiated a process of external fund raising in order to accelerate this phase of growth. Recently, we entered into definitive agreements to raise up to ₹1,500 crore from two global private equity investors, Apollo Global Management Inc. and Synergy Metals Investments Holding Ltd. We are delighted to partner with Synergy and Apollo in our growth journey; apart from strategic capital, these investments bring with them deep validation and trust in our Company, brand and

₹1,500 Cr
Private Equity fund raising

₹819 Cr
EBITDA 36.04% growth

team. I would like to take this opportunity to welcome both investors on board and look forward to a long and fruitful association with them.

Growth plans in Shiva Cement

In October 2020, we started work on installing a state-of-the-art 4,000 TPD (1.36 MTPA) clinker unit at our subsidiary Shiva Cement, in Odisha. This project, which is expected to be completed by June 2022, will entail a total investment of approximately ₹1,576 crore, which will be funded using a mix of long-term debt and equity. Once commissioned, this clinker unit will be a strategic hub from which we can service our grinding units across the eastern region of India, and will also generate a substantial number of direct and indirect job opportunities in the region.

The design of Shiva Cement's clinker unit incorporates best-in-class characteristics and is benchmarked to European Union Best Available Technology requirements. The project also includes setting up of a 1.0 MTPA grinding unit, 8.9 MW waste heat power generation, 10 km long Overland Belt Conveyor to transport limestone from the mines to the plant and its own captive railway siding (13 km) inside the plant. Shiva Cement has secured access to substantial limestone reserves and we have therefore included in the plant layout, the opportunity for expansion of a second clinker line of 4,000 TPD in the future.

Attractive opportunities

Although the Indian cement industry has witnessed volatility in the past few years, it is poised to grow attractively in the coming years. The Government of India has also significantly enhanced its allocation for the infrastructure sector in the Union Budget for 2021-22, and even more emphasis on ramping up health infrastructure in our country. These opportunities bode well for the cement industry.

In FY 2020-21, it is a moment of pride for us as we have also commissioned our first Commercial Ready Mix Concrete unit in Mumbai.

Digitalisation is our priority

At JSW Cement, digitisation is a crucial driver for our continued evolution. Throughout the year we launched several digital initiatives, which are helping us create new platforms for business growth and development. We have embedded digital in a very powerful way across our entire GTM with the launch of Saathi App, DGO App and Non Trade app which have made our feet on the street more efficient and effective through daily nudges, PJP automation and tasks tracking. We have set up a state-of-the-art Logistics Control tower which has enabled us to digitally track and control logistics movement across the value chain. For our Dealers, we have launched the Dealer App, Whatsapp chatbot and integrated Payment Gateway, driving ease of business with payment settlements on the go. We are now able to capture real-time market prices through our Apps, enabling data-driven decision making through a Pricing Visualiser. Our Aikyam app has enabled us to enhance our customer engagement for large customers across the JSW Group.

A sustainable and responsible strategy

We have always positioned ourselves as a green cement manufacturer, committed towards innovation in sustainability and technology, always ready to offer eco-friendly cement solutions, aiding circular economy and garnering stakeholder trust along the way. To address our pledge in being environment conscious, we have installed energy-efficient technologies that help us in developing products having a low-carbon footprint. This has helped us report lowest carbon emissions in the past years. We have carried out the life-cycle assessment for our slag cement products and have been certified as the lowest CO_2 emitting cement company in the world by Environmental Product Declarations (EPD). The global warming potential (GWP) of our slag cement products (325 by CO_2 equivalent) is one of the lowest in the global cement industry. We also actively disclose our data to CDP every year and have obtained the 'B – Management' band in the previous year.

We are also undertaking multiple efforts to reduce the clinker ratio, helping us reduce the amount of limestone and energy used, in turn ensuring that we always move forward in a sustainable manner. We are aligned to the Group's efforts to reduce single-use plastic usage and optimise the utilisation of natural resources and have taken umpteen initiatives in this direction.

Along with the environment, we believe in instilling a culture of growth and development within the company and the community at large. Our biggest assets are our people. We have always supported our employees throughout their journey to ensure their personal and professional growth. We stood by our people during the pandemic and will continue to do so. Through our COVID Warriors programme, we extended the flexibility to work from home to our employees. We will continue to prioritise the health and safety of our employees and contractual workers at our plant locations and the markets.

8.9 MW
Waste heat power generation

69,430+
People provided with healthcare services

During the year, 1,10,700+ community members benefited from our CSR initiatives. Our key intervention areas comprise creating sustainable livelihoods, to promote education, health, rural development and sanitation. We have provided livelihood opportunities to 1,400+ people across our plant locations, with primary focus on women empowerment.

On the health front, our Company has been relentlessly working towards conducting tests for the COVID-19 patients and is continuously improving treatment and quarantine care for patients. Our team has gone the extra mile to assist 69,430+ people by providing healthcare services. We have also served the community by providing better infrastructure in schools and maximising our outreach to develop rural areas.

Better value for all

As we brace ourselves for the challenges of the future, we are putting a lot of emphasis on innovation. Innovation in products, processes and our relationships with all stakeholders. We are also putting a strong ESG oversight in place across all areas of our operations, which we think will help us become more responsible.

I am proud of our teams, who are the true torchbearers of our mission to contribute to nation-building by manufacturing innovative and sustainable construction and building solutions. I also thank our Board members, investors, shareholders, partners and communities without whose help and support our progress in all these years would never be possible.

In alignment with our Group's vision, we aspire to be Better Everyday and together let's scale new heights of possibilities.

Sincerely,

Parth Jindal
Managing Director

Message from the CEO

A strong and resilient foundation for growth

"During the year, we constantly engaged with all our customers, partners and teams to give effective response. We double downed on digital and conducted one of the most significant transformations in our history."

Dear Stakeholders,

FY2020-21 has been a very difficult year for all sectors of the economy. However, we at JSW Cement managed our inventories and cash flows prudently and remained resilient throughout the difficult phase of the lockdown. We constantly engaged with all our customers, partners and teams to give an effective response. We double downed on digital and conducted one of the most significant transformations in our history. As a result, we were one of the first companies to emerge out of the lockdown to supply cement and Ground Granulated Blast Furnace Slag (GGBS) to our customers, which went a long way in establishing our credentials as a leading cement player.

Although the first two quarters of the financial year were extremely challenging, the Indian economy began to recover towards the beginning of the third quarter and the pent-up demand in the sector was visible. In March 2021, JSW Cement for the first time crossed 1 MT in a month, and what's more exciting about this achievement is the rapid strides that the sales and marketing teams have made in channel sales and market share gains in the A category.

All zones in the channel sales have had record months with the share of premium cement (CHD and PCC) increasing month on month. In March, we had the highest ever cement plus GGBS sale in a month and the highest ever premium percentage share of 27% in eastern and 50% in southern India, respectively. These numbers speak volumes about how we had grown.

Our sales volumes significantly grew during the last two quarters of the year, resulting in an overall growth of 62% y-o-y in our profit after tax in FY 2020-21 over FY 2019-20. In view of the emerging opportunities, we have already begun expanding our operational capacity to reach our target of 25 MTPA cement production capacity within the next two years.

Smarter and sustainable ecosystem

While scaling up, JSW Cement has embarked upon a journey to grow differently from other cement companies, build an FMCG like organisational culture and capability and make this a source of sustainable competitive advantage. JSW Cement is developing an organisation with a 'challenger' mindset through digitisation.

As a part of our digitisation journey, we have launched Project Kshamata, which aims to improve our GTM capabilities by making our feet on street more efficient and effective so that they can create greater impact. Bringing this project to life, we have launched several apps such as the Saathi App, DGO App, Dealer App and Aikyam App empowering our entire value chain.

We have also launched 'Project Terrain' that is aimed at transforming the entire logistics operations of the Company underpinned by state-of-the-art technology such as Control Tower, Yard Management System, AI/ML and advanced analytics. With such initiatives leading the business, we aspire to improve our service parameters such as OTIF and reducing our Logistics cost PTPK.

In operations, we have embedded several digitisation initiatives that have led to better control on our inventory and reduction of downtime. We conduct knowledge sharing sessions among all units every month where disciplines of Mechanical, Civil, Electrical departments engage in sharing knowledge on breakdowns, cost optimisation ideas, achievements and other best practices. We have had 51 of these sessions in FY 2020-21.

This year, we have also laid the foundations of our entry into Construction Chemicals and Commercial RMC, thereby developing new revenue streams for the company. We desire to go further next year, straddling the construction value chain to offer our customers a complete bouquet of building material solutions.

Building upon the on-ground insights from our consumers and channel partners, this year we changed the packaging for all our products and deployed a uniform brand architecture with improved aesthetics so that all our products look as being a part of One JSW Cement Family.

At JSW Cement, it is our constant endeavour to leverage technology to successfully integrate sustainability into the production process by converting industrial by-products (Blast Furnace Slag) into green cement products, i.e. PSC, CHD and GGBS. As per the latest GCCA GNR 2019 data, our Scope-1 Sp. Net CO_2 emissions is only 33% of the world average and about 36% of the India average. Our green cement products have the lowest clinker ratio which helps to conserve natural resources as well as energy.

As a result of our conscious choices of product mix, during FY 2020-21 our Sp. Net CO_2 emissions of 200 kg CO_2/Tonne of cementitious material is the least in the cement industry. Going ahead, we are adopting initiatives such as increasing alternative fuels and raw materials, installation of solar and wind power plants, Waste Heat Recovery Systems (WHRS), rainwater harvesting, greenbelt development and sourcing electrical energy from renewable energy suppliers through Power Purchase Agreements (PPA). We have and will always uphold the green ethos to our core through which we have carved out a niche for ourselves in India's cement sector.

Compassion and care

Our teams have been the biggest pillars of support in this difficult phase. We continued to strive hard to ensure their safety and wellbeing. We have always focused on the professional and personal development of our teams.

We have launched the 'We Care' initiative to provide our employees, associates, channel partners and local communities with the essential resources and awareness necessary to sensitise individuals about COVID-19, its implications and preventive measures. To ensure business continuity, we created 'work bubbles' for all critical personnel and employees working onsite and had also stepped up the distribution of food packets, masks and PPE kits among other resources to essential service workers and labourers. We also distributed JSW Securall Sanitisers for free across several districts in the south and the east as a part of our COVID relief initiatives.

JSW Cement in partnership with our dealers has built socially relevant infrastructure across India such as dialysis centres, toilets, and so on. These initiatives have benefited 1.1+ lakh community members in FY 2020-21. For the family of any employee of JSW Cement who had lost his/her life on account of COVID, the Company has promised to pay basic salary till the age of 60 years, which is a modest humanitarian gesture on our part. Throughout the year, with concerted efforts, JSW Cement created

51+
Knowledge sessions conducted during FY 2020-21

200 Kg CO_2/Tonne
Sp. Net CO_2 emissions of cementitious materials, least in the cement industry.

more than 1,400+ livelihood opportunities at our plant locations. Thus, JSW Cement today is not just a cement brand, but also a name that is synonymous with being an agent of social change and human capital. Due to all these factors, JSW Cement today commands a premium in several of our home markets.

We are still maintaining COVID-appropriate behaviour at our sites and offices and are constantly reviewing the external environment to take pre-emptive steps to protect the interests of our teams, customers and all other stakeholders.

As we step into the next year, we must be congnisant of all our accomplishments with gratitude and we promise to double down on digital and keep it at the core of everything we do.

Before I conclude, I must thank all our teams, customers and all stakeholders for their dedication and support in helping build the JSW Cement that we are all proud of.

Sincerely,

Nilesh Narwekar
CEO

1,400+
Livelihood opportunities created

Financial performance

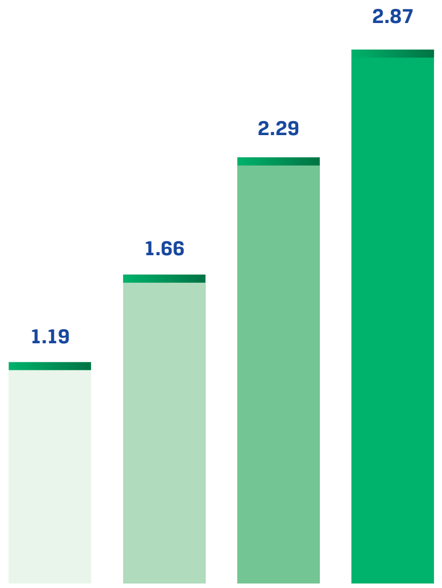
Challenging headwinds, emerging stronger

The resilience of our business model has enabled us to grow even during extreme adversity. We at JSW Cement have taken a collective pledge to create and deliver long-term value for all stakeholders responsibly, balancing our growth ambitions with sustainable priorities.

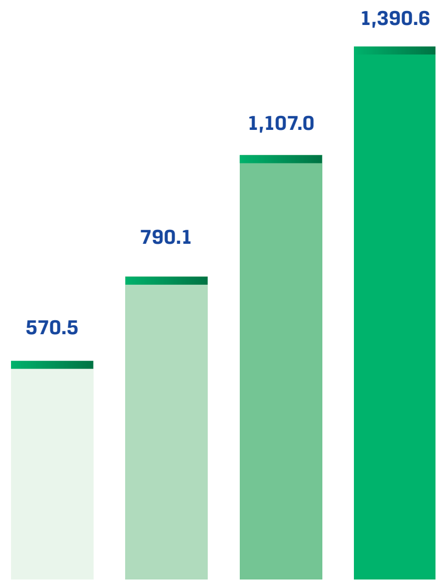
Quarter-wise operational highlights

Q1 Q2 Q3 Q4

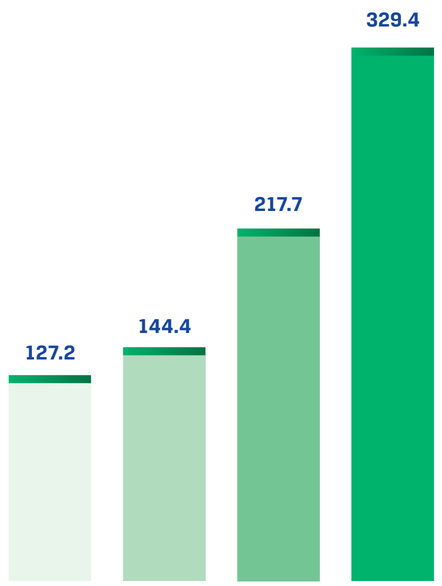
Sales volume MMT



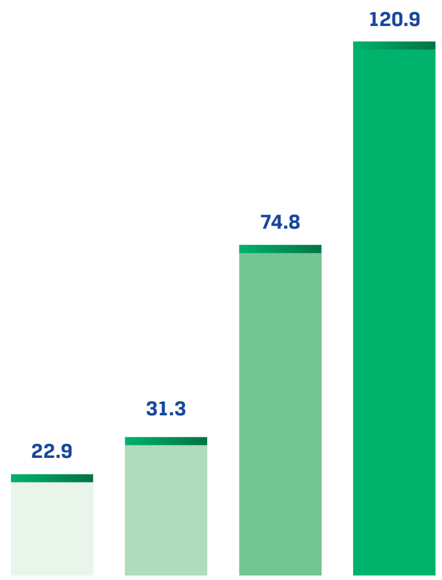
Revenue ₹ crore



Operating EBITDA ₹ crore



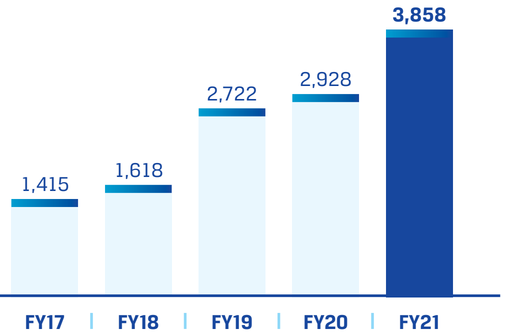
PAT ₹ crore



Year-wise Financial highlights

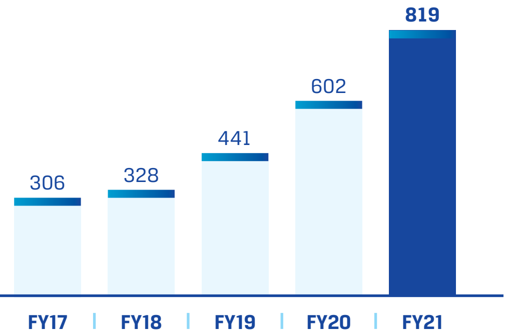
Revenue ₹ crore

28.5%
5-year CAGR



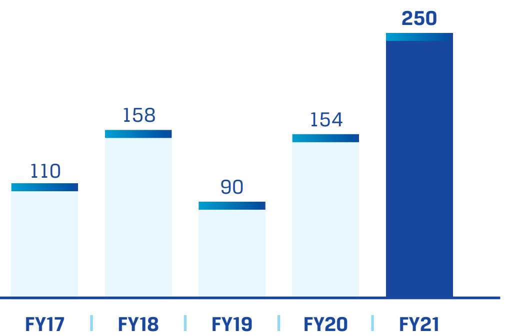
Operating EBITDA ₹ crore

27.9%
5-year CAGR



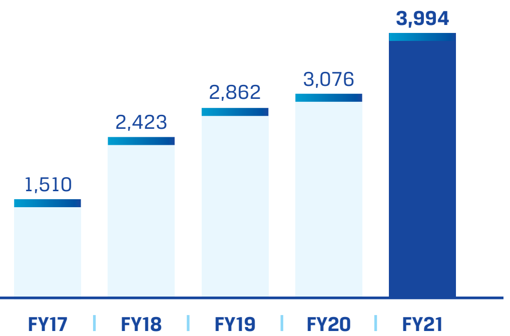
Profit after tax (PAT) ₹ crore

22.7%
5-year CAGR



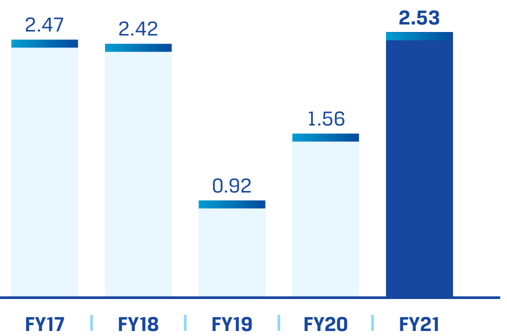
Net fixed asset ₹ crore

27.5%
5-year CAGR



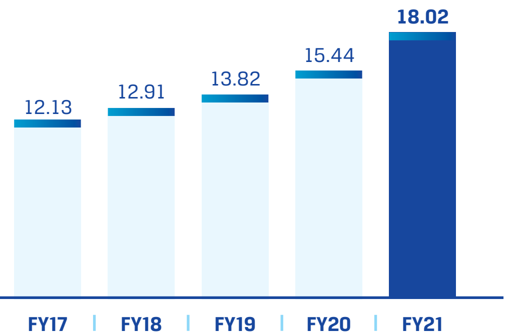
Earnings per share (EPS) ₹

0.6%
5-year CAGR



Book value per share ₹

10.4%
5-year CAGR



Stepping up an effective crisis response

The past year was catastrophic in terms of health and human wellbeing. During the reporting year, we supported our people and local communities across our plant locations in various ways to help our nation combat the COVID crisis effectively.

Business response

During a year when the pandemic engulfed the world with its varied set of challenges, limelight was focused on the mental and physical wellbeing of every individual. In FY 2020-21, we introduced a set of interventions for our people in view of the pandemic to ensure business continuity.

We Care

We launched the "We Care" initiative for our entire fraternity of stakeholders. We mandated social distancing, sanitisation, thermal screening along with organising awareness sessions across our offices and manufacturing sites. Furthermore, continuous sensitisation and awareness sessions were carried out on "COVID-19 and its prevention" coupled with constant monitoring and availability of online doctor consultations for our employees, associates and their family members.

With the spike in cases, we quickly shifted to the work from home model, enabling business continuity and keeping our employees safe and sound. Various employee engagement sessions were carried out to support our teams in Sales & marketing to bolster their morale and mental health. We also supported and arranged oxygen concentrators for channel partners and employees. To support business continuity, we created work bubbles for all critical personnel and made special arrangements for stay and other facilities. Ambulance services was extended in coordination with the authorities for supervision and review of patients in the community.

100+ lives touched by
providing Oxygen concentrators

1,000+ lives touched by
carrying out doctor e-consultations

Community response

In the true JSW spirit of work, we went above and beyond our plant locations and supported community and our partners. In continuation with our 'We Care' initiative, we stood with the community by providing immunity boosters, distribution of essentials to nearby villages, donation of oxygen concentrators for district health departments and other medical aid in coordination with government functionaries across all our plant locations. We also donated PPE kits, sanitiser bottles, masks to the district police personnel to ensure safety during the pandemic.

In line with government norms, we provided food packets, masks and sanitisers to essential service workers and labourers. We also worked towards ensuring the safety and wellbeing of migrant labourers who form the backbone of the construction industry by providing groceries, health advice and PPEs.

Here is a breakdown of our initiatives across our plant locations:

Nandyal

- Raised awareness through distributing leaflets across the villages on preventive measure of COVID-19
- Provided 20,400 masks to the frontline workers such as medical staff, police, municipal workers and villagers
- Provided around 500 litres of sanitisers
- Provided free food to the on-duty government officials
- Provided 25 mattresses to quarantine centre facility
- Distributed vegetables to 2,200 households (5 kg each)
- Distributed groceries to 6,500 households
- Provided 1,500 PPE kits to medical staff and municipal workers through the district collector
- Organised sanitisation drives in the DIZ villages

Salboni

- Provided PPE kits, sanitisers to medical and housekeeping staff, associates, government office staff including the police personnel
- Conducted sanitisation drive in DIZ villages
- Distributed food to 150 workmen and drivers on a daily basis

Rajgangpur (Shiva)

- Provided 6 beds, 3000 masks, 2500 gloves,15 mosquito nets, 20 pillows with cover, 3 litters hand wash, 10 litters sanitiser, 100 soaps, 2 laser thermometer, 20 N95 masks, 20 bed sheets to Community Health Centre- Kutra and PHC Khatkurbahal.
- Provided dry ration, Food, PPEs to the patients, migrants and people those who are staying in different shelter homes for quarantine through district administration

Jajpur

- Provided 2,840 cooked food to the patients admitted in Community Health Centre, Danagadi.
- Provided logistics support (including a four-wheeler ambulance) for supervision of patients in Community Health Centre, Danagadi, Jajpur.
- Provided support of 500 kg bleaching powder to District Administration for the sanitisation of villages and public places of Jajpur
- Financial contribution of ₹5 lakh to the district administration to strengthen the medical facilities
- Provided masks, hand sanitisers, hand gloves and hand wash

This gesture of JSW Cement is being appreciated at various levels as a need based and timely support was extended under CSR. These interventions are being appreciated by the stakeholders and a positive feeling that the community holds about the company.

Free RT-PCR tests
across states

71,000+ lives touched by
distributing food and grocery kits

60,000+ calls
catered to through a dedicated call centre for support

Our approach to value creation

IN THIS SECTION

Our value creation approach is designed to amplify value for all stakeholders, despite uncertainties in our operating environment.

Balancing priorities with a long-term vision

We operate in a constantly changing business environment. Sustainability and long-term profitability are two primary focus areas of our business and our business model is designed to balance these priorities.

Inputs

Financial

- Equity: ₹986 crore
- Debt: ₹3,189 crore
- Fixed asset: ₹3,994 crore
- Retained earnings: ₹839 crore
- Net worth: ₹1,818 crore

Manufactured

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

Total manufacturing capacity: 14 MTPA

Human

- Employees on roll: 1,224
- Contractual employees: 1,699
- Employee benefit expenditure: ₹205 crore

Social and relationship

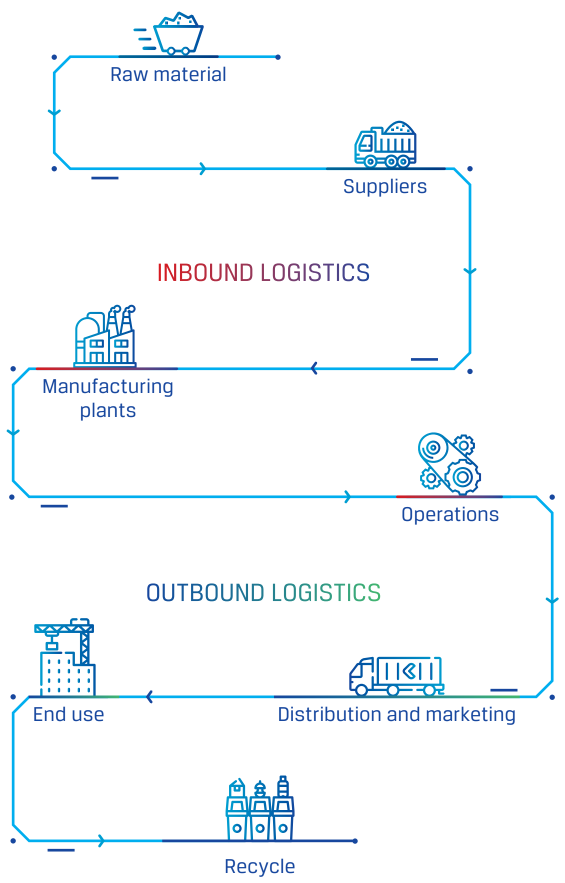
- Total CSR expenditure: ₹4.88 crore
- Dealer network: 4,100+
- Employee strength: 1,224

Natural

- Total fuel used: ~2,41,959 tonnes
- Total gas consumed: 3.48 crore nm^3
- Total water used: 6,34,255 m^3
- Total electrical energy consumed: ~36.55 crore kWh
- Thermal substitution rate: 4.23%

Value chain

Activities



Outputs

Production volume

Products

PSC: 3.12 MMT

OPC: 1.00 MT

Concreel HD: 0.71 MT

GGBS: 2.44 MT

Composite Cement: 0.59 MT

Screened Slag: 0.54 MT

Emissions

Absolute net CO_2 emissions (Scope 1): 15,21,828 tonnes

Absolute net CO_2 emissions (Scope 2): 3,22,123 tonnes

Outcomes

Financial

- Revenue: ₹3,858 crore
- EBITDA: ₹819 crore
- PAT: ₹250 crore
- ROCE: 5.8%
- Debt equity ratio: 1.75%
- EPS: ₹2.53

Manufactured

- Capacity utilisation: 57%
- Increase in cement and GGBS production: 5.1%

Human

- Lost Time Injury Frequency Rate (LTIFR): 0.44
- Employee retention rate: 57% employees with 3+ years of tenure
- Attrition rate: Dropped by 17.5% y-o-y
- Gender diversity: 4.5%
- 40% Graduate Rotation Programme (GET) are female
- Value created per employee changed by 40% (EBIDTA per employee) from 0.5 to 0.7)
- New joinees: 87

Social and relationship

- Beneficiaries impacted: 1,10,700+
- Improved quality of life for the communities

Natural

- ~37% of the total water consumption met using harvested water, thus reducing the dependency on groundwater and surface water resources

Favourable macro dynamics

Although the Indian economy was badly impacted by the COVID-19 outbreak, its long-term fundamentals remain sound. Additionally, in order to kickstart the post-COVID economic growth and create large-scale business and employment opportunities, the Government of India is putting additional emphasis on core sector growth.

India is the world's second largest cement producer and consumer. The advent of the pandemic impacted the sector, but it could bounce back quickly owing to burgeoning pent-up demand in big cities, semi-urban and rural areas.

Although the second wave of the pandemic hit rural India, large-scale vaccination programmes cushioned the impact to a very large extent. Rural cash flow remained strong following good monsoon for two consecutive years. The rural economy was further supported by government schemes such as PMAY-G and MGNREGS.

Growing population and faster urbanisation

India ranks among the world's fastest urbanising nations, propelling the demand for housing and construction. It is expected that 17 of the 20 fastest-growing cities in the world between 2019 and 2035 will be from India. The Government of India is supporting the transition through focused programmes such as Smart Cities Mission, Atal Mission for Rejuvenation and Urban Transformation (AMRUT), the Pradhan Mantri Awas Yojana-Urban (PMAY-U), Swachh Bharat Mission-Urban, among others. Cumulatively, this is expected to drive real estate demand in the urban centres going forward.

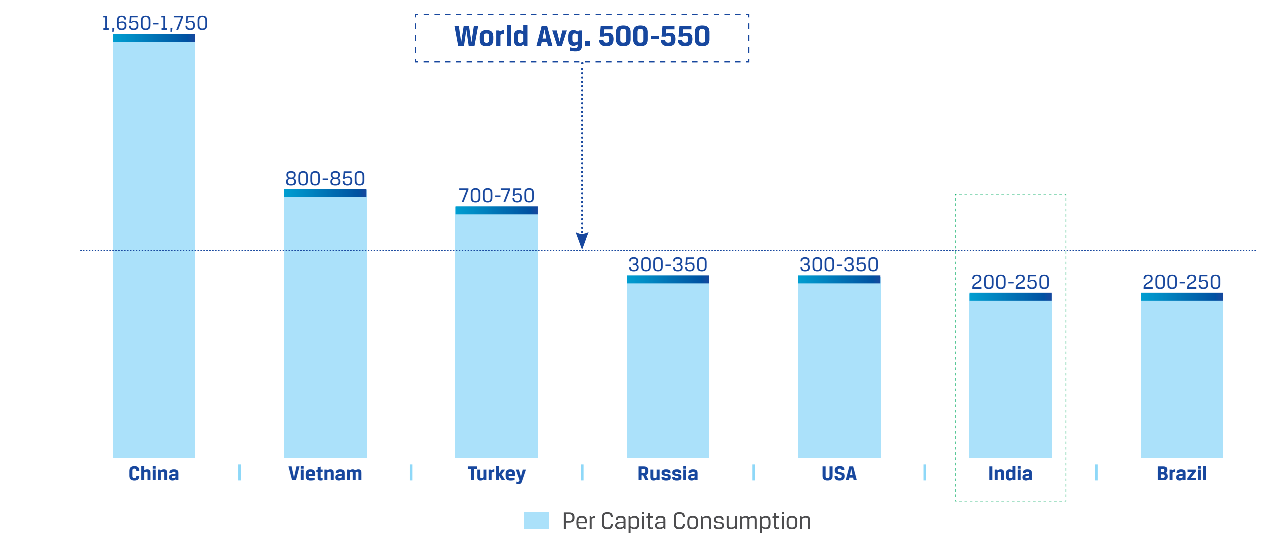
Union Budget 2021-22 allocation

$1.88 Bn
AMRUT and Smart Cities Mission

$1.68 Bn
Swachh Bharat Mission

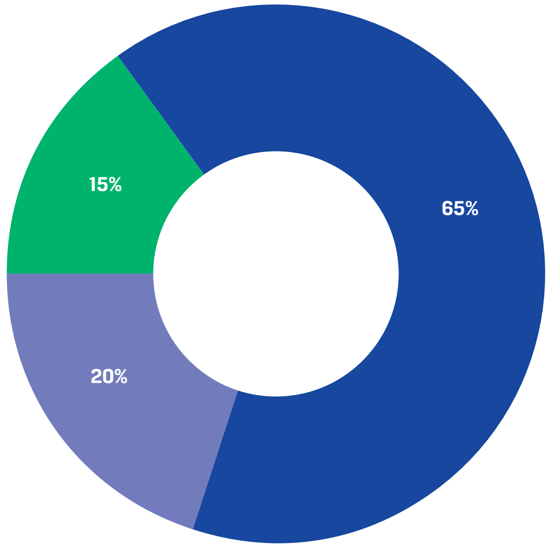
India lags significantly in per-capita cement consumption

(in kg)



[Source: Statista, HDFC Securities Research]

Sector-wise cement consumption



Real estate
Public infrastructure
Industrial developement

[Source: HDFC Securities Research]

Home ownership in a post-COVID scenario

In the wake of the pandemic, people have now realised the importance of owning property. People of the age group between 28-45 are contributing majorly to the demand of affordable housing in 2021. The historically low interest regime is also catalysing demand for home ownership.

Government impetus

The Government is committed to provide Housing for All by 2022 under the Pradhan Mantri Awas Yojana (PMAY). The scheme got a further boost in the Union Budget 2021-22, wherein the Government of India extended benefits under Section 80-IBA of the Income Tax Act until March 31, 2022 to promote affordable housing in India.

$3.77 Bn
Union Budget 2021-22 allocation PMAY

Increased infrastructure spending

The Government of India has over the last few years been extremely focused on the overall infrastructural development of the country. The National Infrastructure Pipeline (NIP) a mammoth exercise in the infrastructure to be undertaken over the period of 2019-2025, has 7,781 projects in the pipeline at a total cost of $1.9 billion covering 34 sub-sectors under its umbrella. The gross Budgetary support towards capital expenditure has been increased significantly to ₹5.54 lakh crore in 2021-22.

$1.4 Tn
Investment in infrastructure between 2020 and 2025

Capital outlay (₹ crore)	FY 2020-21 BE	FY 2020-21 RE	FY 2021-22 BE
Railway	1,60,792	2,40,840	2,14,858
Road Transport and Highway	1,46,975	1,57,053	1,98,230
MRTS and Metrorail	20,471	9,473	24,582
Ports, Shipping and Waterways	3,715	3,129	4,917

A low-carbon pathway

Climate change is a risk multiplier for global economies and society, and the cement industry in India is charting out a viable pathway to reduce its carbon footprint in line with global emission norms. Industry players are adopting green technologies, which help improve productivity as well as reduce carbon footprint.

Charting our growth path

We work relentlessly towards enhancing our capabilities and are well positioned in the industry to leverage emerging opportunities, despite temporary hardships brought about by the pandemic. Our strategic priorities enable us to address stakeholder concerns and meet their expectations.

Our strategic priorities

Capacity expansion | **Superior products** | **Operational efficiency**

Enhanced brand visibility | **Environment protection**

Progress across each focus area

Capacity expansion

We are ramping up our production capacity from 14 MTPA to 25 MTPA by FY 2024-25 across our facilities to capitalise on the growth opportunities.

A number of projects are expected to be completed by the end of FY 2021-22. Addition of

- 0.8 MTPA grinding capacity at Vijayanagar, Karnataka
- 1.2 MTPA grinding capacity at Salboni, West Bengal
- 0.8 MTPA grinding capacity at Salem, Tamil Nadu

Further, we have also begun expanding grinding capacity at Vijayanagar, Dolvi, clinker capacity at Nandyal, and Shiva Cement.

Superior products

We strive to deliver industry-leading products to our customers.

- Pricing and positioning of our products are done depending on market dynamics
- CHD/PCC has been positioned at A Category in the south and west and PSC has been benchmarked against at A-15 ; CHD has been positioned to A+ Category in east and PSC/PCC at A Category.
- New product development and new packaging is underway
  - BIS code received for Geo Polymer concrete
  - Both internal and external testing done for the Water repellent cement
- Replaced PSC with Concreel HD in Kerala and planning the same for Karnataka and Tamil Nadu in the near future

Operational efficiency

- Set up plants in strategic locations for better efficiency and uninterrupted power supply
- Resources managed through a spectrum of technological innovation
- Inbound logistics managed through investments in wagon tipplers
- Improve efficiencies in outbound logistics by employing technology for track and trace, control tower for end-to-end tracking and exception management
- Dedicated railway rakes for timely delivery of raw materials and transportation of finished goods

Environment protection

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

Enhanced brand visibility

- Digital Film/TVC for Kerala, Naatil Evideyaanu and Pongal for Tamil Nadu
- Geo-targeted lead generation campaigns on Facebook to acquire new dealers
- Launched a WhatsApp platform for channel partners
- Launched slag sand in Karnataka
- Facilitated interaction of dealers with BFC players
- Conducted market storming activities across states
- Celebrated Holi Milan in Bihar
- Participated in Concrete Panorama and Deminar, Bangalore
- Generated demand through managing influencers
  - Influencer Management Programme: Adding influencers in the JSW influencer loyalty programme and make them JSW's brand ambassador
  - More than 60,000 influencers mapped to dealer counters; among which 41,000+ have transacted in FY 2020-21
  - In plans to register 38,000 new influencers and activate 51,000 influencers in FY 2021-22 (Both, previously and newly enrolled) through technical meets, site visits and influencer storming

Business enablers

IN THIS SECTION

In every crisis lies an opportunity. During the pandemic, we used the pause in our operations to think through our operational challenges and accelerated the transformation in our Company through digital interventions.

Embedding innovation in every aspect of operations

We are developing new ways to serve our customers with sustainable and durable cement, formulated with cutting-edge technologies under the constant supervision of our state-of-the-art R&D team.

Patents filed in FY 2020-21

Patent 1:	Patent 2:	Patent 3:
A method of manufacture of cementitious material from steel slag	A method of manufacture of belite based cementitious material from steel slag	A process for preparation of dry powder polymer

Replacing clay in clinker production

Clinker production process requires clay minerals as a source of aluminium oxide to produce quality clinker. Natural clay minerals are limited to a few geographic locations in India. The steel industry produces different types of slag which are rich in different mineral constituents. One such slag generated within the steel plant is the alumina rich ladle furnace slag, containing very high proportions of aluminium oxide (Al2O3) and calcium oxide (CaO) constituents.

Through sustained research efforts and plant trials at our Company, it was established by our R&D team that clay minerals used in clinker production can be replaced by Al-killed ladle furnace slag. With a slag to clay replacement ratio of almost 1:1, we expect that about 1,00,000 tonnes/annum of virgin clay resources can be conserved. Moreover, the calcium oxide (CaO) content of this slag also helps to reduce the specific consumption of high-grade limestone. This project is at an advanced stage, with a full-scale implementation underway. The project is expected to result in conservation of about 50,000 tonnes/annum of limestone with about 22,000 tonnes/annum reduction in CO_2 emissions.

Construction chemicals – New friendly products to reduce carbon footprint

We are engaged in the production of construction chemicals that are based on supplementary cementitious materials and other additives. The conventional cement utilised in mortar applications are either 100% OPC, Portland pozzolana or Portland slag cement. The construction chemicals developed by our R&D team, comprise up to 85% of slag and are more environment friendly.

The drymix range comprises fine aggregates, which are the waste by-products obtained after steel manufacturing, thus contributing to a circular economy.

Products such as Enduro Plast (Ready mix plaster) and Dura Flor (Floor hardener) are ready mix products which impart better properties than the conventional mortars. Being self-cured ready mix plaster, needs to water cure and thus it conserves water. These are green products with minimum release of CO_2 emissions and maximum conservation of resources. The plant has been commissioned and is under production.

Water repellent cement - Preventing steel structures from corrosion

We have developed the water repellent cement with an objective of reducing the carbon footprint.

It has all the qualities of a conventional OPC cement with an additional water repellent characteristic. The product is one of its kind, that saves about 33% on carbon fuel. The lower specific fuel consumption emits about 33% less CO_2 as compared to conventional OPC cement. It absorbs about 50%-60% less water than conventional cement, resulting in better protection of concrete and steel reinforced slabs and structures. Such cement is equipped with excellent corrosion inhibition properties resulting in increased life of buildings and other structures. The new product will be commercialised in next two years.

Performance enhancer to extend the content of ground granulated blast furnace slag (GGBS) in portland slag cement composition

We have deployed the use of a co-acting performance enhancer for the development of Portland Slag Cement (PSC) with an increased proportion of ground granulated blast furnace slag (GGBS). This initiative helps prepare a Portland slag cement composition involving more than 50% proportion of GGBS in slag cement with increase in cementitious subject /concrete strength and related cementitious properties. This also reduces carbon emissions, with clinker factor reduction (12%-15%).

The polymer was developed by our R&D team and it is being manufactured in-house to be used in slag-based cement manufacturing. Moreover, this innovation is directed towards the composition of Portland slag cement, projecting a 30%-40% water reduction in various cementitious applications of PSC.

Furthermore, Portland slag cement composition favouring the preparation of PSC with 12%-15% less clinker is also emitting 12%-15% less carbon dioxide. Through this innovation, we have also provided a method for Portland slag cement composition including said proportion of the polymer additive which enhanced the tiling application in terms of shear adhesion strength by about 47% and tensile adhesion strength by about 119%. The method complies to the standard IS: 15477-2004 (RA2010) both type 1 and type 2, where conventional PPC and OPC lacks.

Ushering in a leaner, smarter way of working

At JSW Cement, we ensure a continuous growth trajectory for our business by evolving, enhancing and digitally enabling our operations. During FY 2020-21, we introduced 16+ digital initiatives, helping us accelerate digital transformation.

16+
Digital Initiatives in FY 2020-21

7+
Business process re-engineering carried out in FY 2020-21

6+
Mobile Apps launched in FY 2020-21

5+
Analytics and AI-based interventions introduced

Enabling digital innovation and leveraging analytics

We are partnering with the world's leading digital innovators to reshape our marketing and logistics practices. We are leveraging our scale to generate value and build new capabilities, backed by powerful data models and algorithms. Our goal is to empower teams to make smarter, quicker decisions by transforming data into an accessible, reusable asset. Our efforts are helping us to:

- Understand the effectiveness of our brand interaction
- Generate efficiencies by improving resource allocation
- Capture insights that can be used to optimise channel strategies in real time
- Identify opportunities for innovation and the scaling up of new launches

Thriving with digitisation and analytics

During FY 2020-21, our Digital & Analytics team (DnA) has put in place new processes pertaining to sales planning, pricing visualisation, micro-market mapping, sales force automation among others for trade, direct and institutional sales and dealer engagement through various platforms. These efforts essentially reflect our ability to adapt and grow quickly to evolving customer demands and market dynamics.

Through these processes we gain:

- A deep understanding of which products, geographies and customer value propositions fit
- Experience building responsive, scalable and profitable direct-to-customer business processes
- A close relationship with all sub-dealers and influencers by digitally engaging them and building the dealer cohort
- Ensuring our markets have the freedom to tailor a centrally developed toolkit of digital technologies and practices to their local needs

Staying ahead with AI

We are deploying flexible and scalable digital solutions to enhance our responsiveness across our business. Technologies such as Artificial Intelligence, predictive analytics and collaborative robotics to support factory automation and end-of-line customisation help us stay ahead of the curve. We have also extended the scope of our AI-powered network optimisation tools to evaluate different product sourcing and delivery scenarios. This will enhance our ability to respond quickly to changes in demand and to optimise production schedules. These tools enable us to better our operational efficacy and reduce our operational carbon footprint.

In FY 2020-21, we initiated AI-based solutions for these areas:

Raw materials purchasing
Establish optimal pricing for raw material qualities e.g. quality vs cost trade-off, seasonal trends and lead times etc.

Intelligent pricing
Intellgence pricing based on global commodity indexes

Stock forecasting and allocation plants
What stock is needed where based on predicted demand/ seasonality

Distribution resource planning
Determining how to transport which goods, in what quantities, and at what location are required to meet anticipated demand (rail vs road/bulk vs bag)

Sales cycle/delivery optimisation
Optimising sales cycles, delivery routing and delivery time slots

Target marketing
Target customers in a specific stage, e.g. building a house

Mining analysis
Maximising the life cycle of the mine via, optimised cost and quality blends

Chemical/material strength analysis
Maintaining the quality of cement despite changes are in inputs (coal, limestone etc.)

Logistics technical projects
Yard Management System and Track & Trace projects

Digitalisation of logistics

At JSW Cement, we embraced a major digital transformation across our entire logistics operations under the initiative Project Terrain. We deployed unique technologies to develop an Integrated, Automated and Connected Logistics Platform. The programme included:

- **In-plant logistics:** RFID sensor-based yard management and complete automation of fleet movement across the plant including automated and unmanned weighbridge operations, which helped to de-bottleneck operations and minimise Plant TAT
- **Transporter collaboration:** Drive efficiencies by enabling collaborations with transporters to automate and optimise fleet assignment to the customer demand
- **Track'n'Trace and ePOD:** Real-time visibility of dispatches to customers and sales team with driver assistance to optimise the order delivery time

The control tower helps to track deliveries ensuring no delays, unscheduled stoppages enroute and on-time delivery of consignments. If the stoppage is not avoidable, then alternate arrangements are made to fulfil customer demand. The tower will also help us form a repository of information on the routes on which the trucks travel. The information will be around restaurants and dhabas available enroute, information on repair shops, medical facilities available enroute, which will streamline processes for our drivers.

- **Logistics control tower:** Centralised operations and analytics control tower to continuously monitor the operations and manage exceptions in real time.

Inspiring dealers to digitalise and expand their businesses and network ecosystem

The Smart JSW SAATHI App has already proven a powerful catalyst for JSW dealer's preferences and deepening engagement.

The SAATHI platform was launched across 10 states, which received more than 1,800 downloads and more than 20,000 visits in two weeks of its release to our dealer network.

The platform helps dealer with Placement of orders, view order status, real-time tracking of their dispatches, online payment, real-time settlement and update of their outstanding and checking their financial books among many other functions.

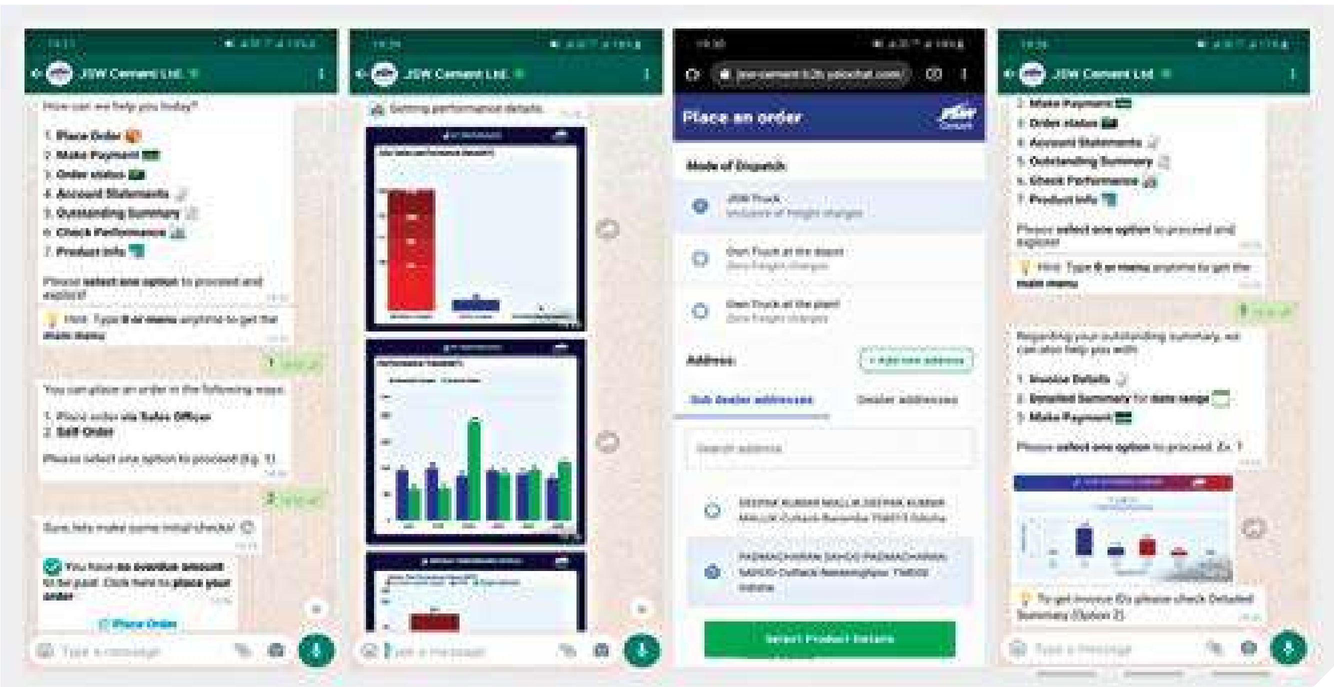
At JSW Cement, we are expanding its functionality through more integration with sub-dealer and influencers enhancing the dealer cohort.

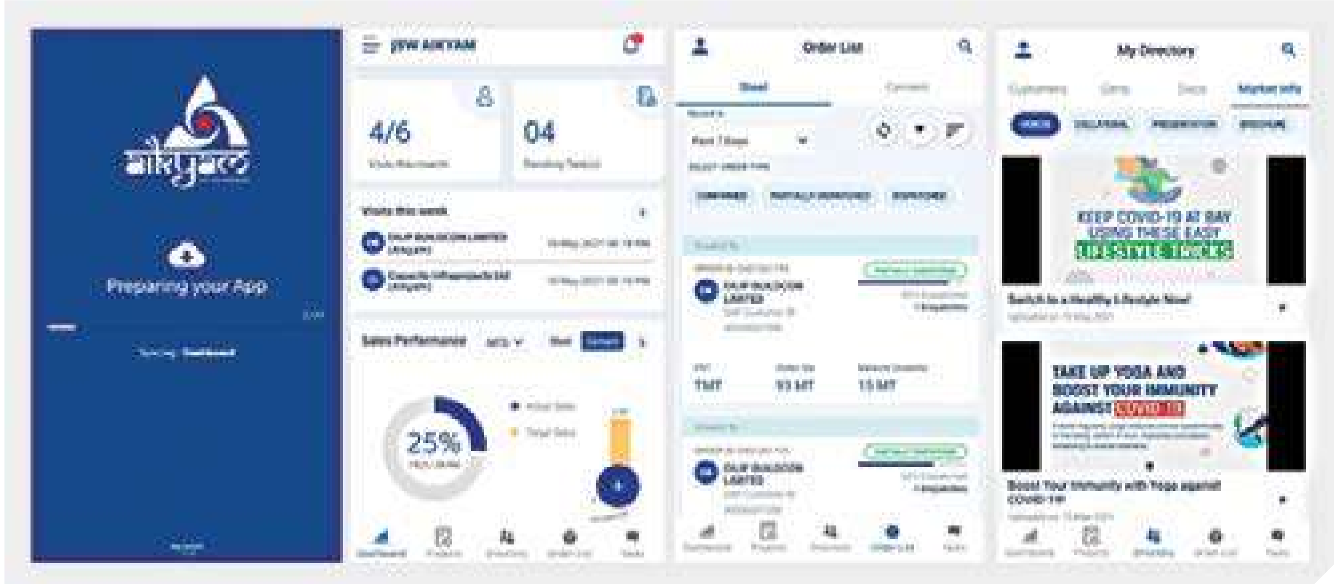
Our internal salesforce SAATHI App assists our field force to work efficiently and accelerate their speed of execution. The App provides them with insights, helping them to raise awareness of best practices by creating visibility on dealer history, orders, financial health, issues/concerns/ complaints among others.

JSW Cement Whatsapp chatbot: Transforming business communication

JSW Whatsapp chatbot (Dealer Assist) has enabled our businesses to perform a variety of tasks such as order placement, make payments, view ledger details, product catalogue, product research, follow-up communication, conversions, offer customer support, etc. automatically.

This enables businesses to drive higher brand recognition, build customer loyalty, and pass on information in real-time. It also enables improved customer experience, better marketing campaigns, handle business scalability, build brand identity and gain deeper customer insights.





A single app for our Group's multiple business verticals

Post the successful stint of JSW One, which integrated JSW Group's retail trade across Steel & Cement, the Group will now have a single group interface for all its Large Project divisions in the Steel and Cement businesses.

The JSW Group has created Aikyam, a technology platform where all project related details can be accessed by the managers of Large Project Divisions from both these businesses to capitalise on the potential opportunities.

Aikyam will digitise the end-to-end institutional sales processes at JSW Group by integrating data across the two business entities to create a single 360° view of the large project customers. This will enable its group of Client Managers to elevate their interactions with large clients and identify opportunities to cross sell, thereby offering an enhanced customer experience to these clients.

Through such initiatives, we ensure on-time delivery, thus amplifying customer satisfaction. This transformation is enabling superior customer service levels, improved operational efficiency, significant cost efficiencies and sustainability in the longer run.

We strive to give our customers a complete digital commerce experience wherein the customer can place an order and track their shipment in real-time till the point of delivery.

Digitalisation is part of our strategy, combining online and offline, to delight customers with the best experience to enable digital sales and payments. We seek growth across all our channels, from partnerships with sub-dealers to direct-to-dealer businesses.

20,000+ visits
within two weeks after launching the SAATHI platform

Digitalisation

Enhancing strength and competitive advantage

We embarked upon Project Kshamata to realise our objective of becoming a 25 MTPA producing cement company. This project is enabling us to build an FMCG-like organisational culture and capability, which would be a source of sustainable competitive advantage.

In FY 2020-21, we set out on the path of building a staggering frontline sales engine across the industry with Project Kshamata in association with McKinsey and Company.

Key enablers of Project Kshamata

Through the extensive usage of data and digitisation, we aim to:

1. Drive demand for our products
2. Build initiatives for our channel partners
3. Achieve superior branding
4. Maximise extraction

Under Project Kshamata, we undertook a massive market mapping activity across all JSW markets. Due to constraints related to the pandemic, the mapping activity covered close to 80% of JSW markets' trade potential, capturing close to 45,000+ counters. This mapping enabled us to design market-specific channel architecture, considering the relevant levers to prioritise our resources across geographies. As further steps, we have initiated 'Geo-tagging' the entire universe of micromarket which was covered under the mapping activity. We have so far Geo-Tagged 30% of the mapped universe.

A new development under this project is our Sales Saathi application. Leveraging digitisation, this app was developed for the front-line sales force, which provides them with real-time information. Initially, the app had a pilot launch for the channel team across a few markets and subsequently rolled out across markets. With the success of the app with the channel team, we further rolled out the app to the direct team and demand generation team, gaining similar rates of success.

Further, we have launched a WhatsApp-based Bot, offering provisions of order booking, real-time statement of accounts, outstanding information and payments through various modules to our channel partners. Subsequently, we aim to integrate the "Sales SAATHI" App with dealer operations and our Loyalty App. Currently, we are testing the application with some select dealers and are planning to upscale the App and roll it pan-India by FY 2021-22.

Successful outcomes

Project Kshamata is currently in its first phase, where we focussed more on network expansion, market prioritisation and premiumisation across nine pilot markets.

On the basis of these success stories, we have upscaled the project to serve all the JSW markets. Pan-India, we have encountered an increase in the active network of dealers to 4,500+ from 3,800+ and an increase in premium products to 38% compared to 19% of the JSW Channel volume in the previous year. Moreover, we focussed on resource allocation to high priority and P1 markets, where we were able to increase its contribution from 66% to 73% within a span of a year.

Fostering stronger relationships with our stakeholders

Through our brand we aim to build better relationships with our stakeholders to stay ahead of the curve with a focus on inclusive action and innovation.

Our marketing efforts in FY 2020-21 were focussed on inclusive action, innovation, and adapting to changing scenarios. The vision was futuristic and new-age, with emphasis on staying ahead of the competition. Sustainability and digitisation were the core themes during the year.

COVID-19 care measures

In April, when the pandemic disrupted our lives, JSW Cement stepped forward for dealers, masons, influencers, and employees doing charitable work of distributing emergency and essential supplies, across the length and breadth of the country. Our feet on the street emerged as true heroes and suitable for the title of 'COVID Warriors'. In addition to awareness drives, we also carried out frequent distribution of safety essentials for our channel partners and influencers.

The wave of digitisation

With the focus now shifting to digital and virtual meets, we volunteered for the sponsorship of a webinar by the reputable Construction World Magazine on "The Real Estate Challenge" to address the aftermath of COVID-19 on its effects on the market and future outlook.

We also introduced e-solutions in the form of e-site visits and technical consulting to homeowners, to mitigate the effects of the pandemic and to assimilate digital transformation.

Taking the next leap towards digitisation, an exclusive WhatsApp platform for dealers was launched. This was a one of its kind, AI-powered tool to ensure smooth and efficient operations for our dealers.

In continuation with our pledge to embed digitisation in all aspects of business, the new and improved JSW Cement website www.jswcement.in, a complete redesign with cutting-edge features for a superior UX.

Sporting culture

Sport runs deep with the JSW Group, and JSW Cement as a brand has always addressed sport-led initiatives with intent and diligence. With the Indian Premier League (IPL) finally underway, a series of activities were organised for all brand stakeholders and customers.

The JSW Heroes Club League was conducted for our sales forces and channel partners with felicitation and reward ceremonies.

Owing to our partnership with Bengaluru FC, we organised virtual 'Meet & Greet' sessions for our dealers and with Bengaluru FC stalwarts. We also announced the co-sponsorship for Bundesliga – the top German Football League.

Commitment to sustainability and people

Our quest to become the leading Green cement manufacturer was recognised and we were felicitated with the CII GreenPro Ecolabel, a quality certification, a testament to the highest standards of our manufacturing and environment consciousness. With the long-term goal of being synonymous with sustainability, a host of technical webinars were held in association with the Indian Concrete Institute to speak on "JSW Cement sustainable products and durability." A new initiative, 'Hopsicash Insurance' i.e. Security Kavach was launched for dealers and masons, to cover hospitalisation and related medical expenses.

Taking the market by storm

Focussing on ATL and BTL activations, the all-new TVC and brand positioning campaign - The Leaders' Choice was launched across the eastern markets in phase 1.

This campaign featured the most prominent sports figures with a massive following in the region; veteran cricketer Saurav Ganguly and Indian football team captain Sunil Chettri as Brand Ambassadors. To further strengthen the roots of our ongoing Leaders' Choice campaign, a roadshow named - JSW Cement 'Driving Goals' was organised where underprivileged children were given free training sessions for cricket and football.

As the year progressed, the time was apt to introduce our brand-new packaging for Concreel HD. Simultaneously, communication campaigns for CompCem went live for the state of Karnataka, with the product proposition of 'Majbooti ki Nayi Pehchaan'

Followed by the 'My Product, My Price' sales tool for Compcem and Concreel HD.

In January 2021, our new sustainable product - Slag Sand was launched at the press conference in Dharwad. In February, a Dealer's family get-together was held at Vijaynagar called Garv 2021. This was a week-long carnival to celebrate and felicitate our partnerships with stakeholders. The event was a great success with active participation, positive vibes and was humbling in many ways.

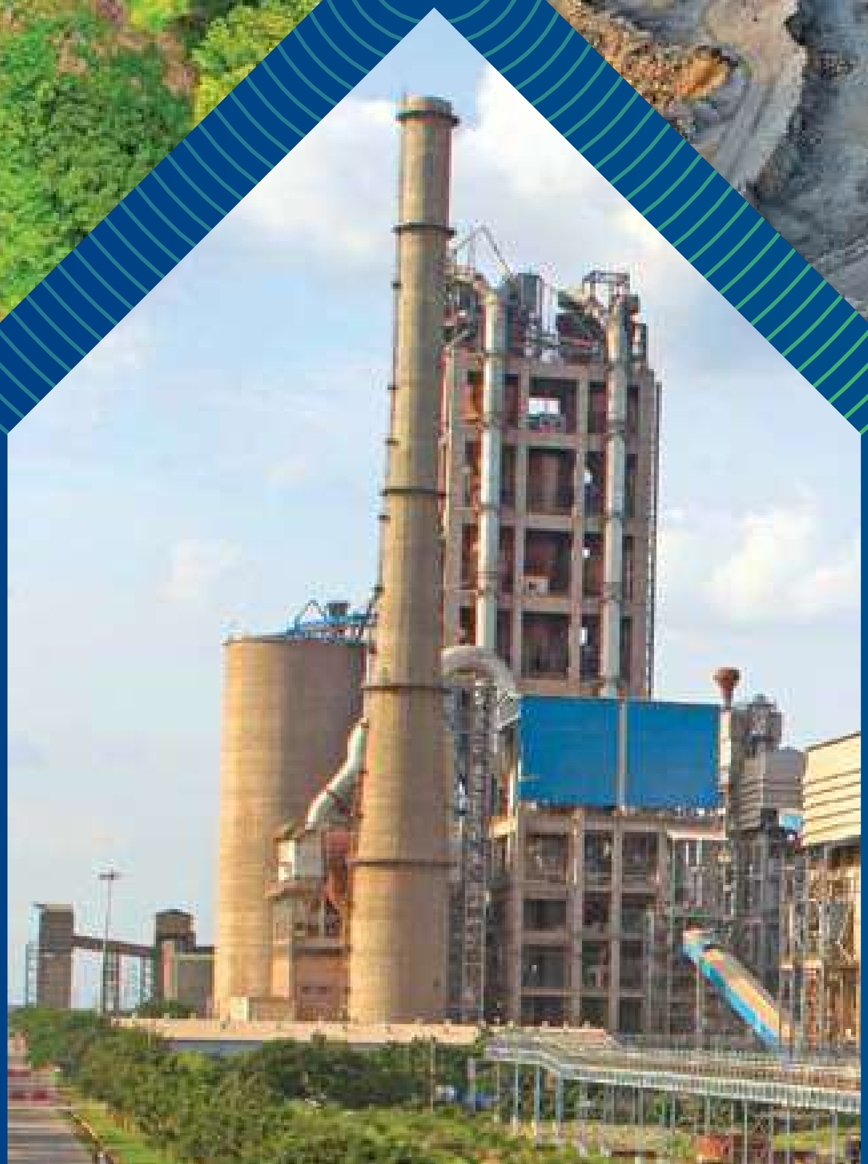
A tactical TVC and campaign was launched in Malayalam for the Kerala market. The film marked our foray into hyperlocal content.

With the acquisition of Shiva Cement making headlines, a brand new website and social media handles were launched for the subsidiary.

Our last feat for the year had to be nothing short of grand. We launched our new TVC 'Yaariyaan.' We wanted to create a memorable film and hence chose to work with the legendary Oscar winner, Mr. A. R. Rahman.

Evaluating our impact

IN THIS SECTION



We look at value creation through the broader prism of environmental wellbeing, community care and corporate governance. We will continue to improve our performance on all these parameters with deep dialogues with our entire stakeholder fraternity.

Towards building a sustainable future for all

Our strategy has always been underlaid on the concept of a circular economy, making us a responsible business, and delivering superior quality products to our stakeholders.

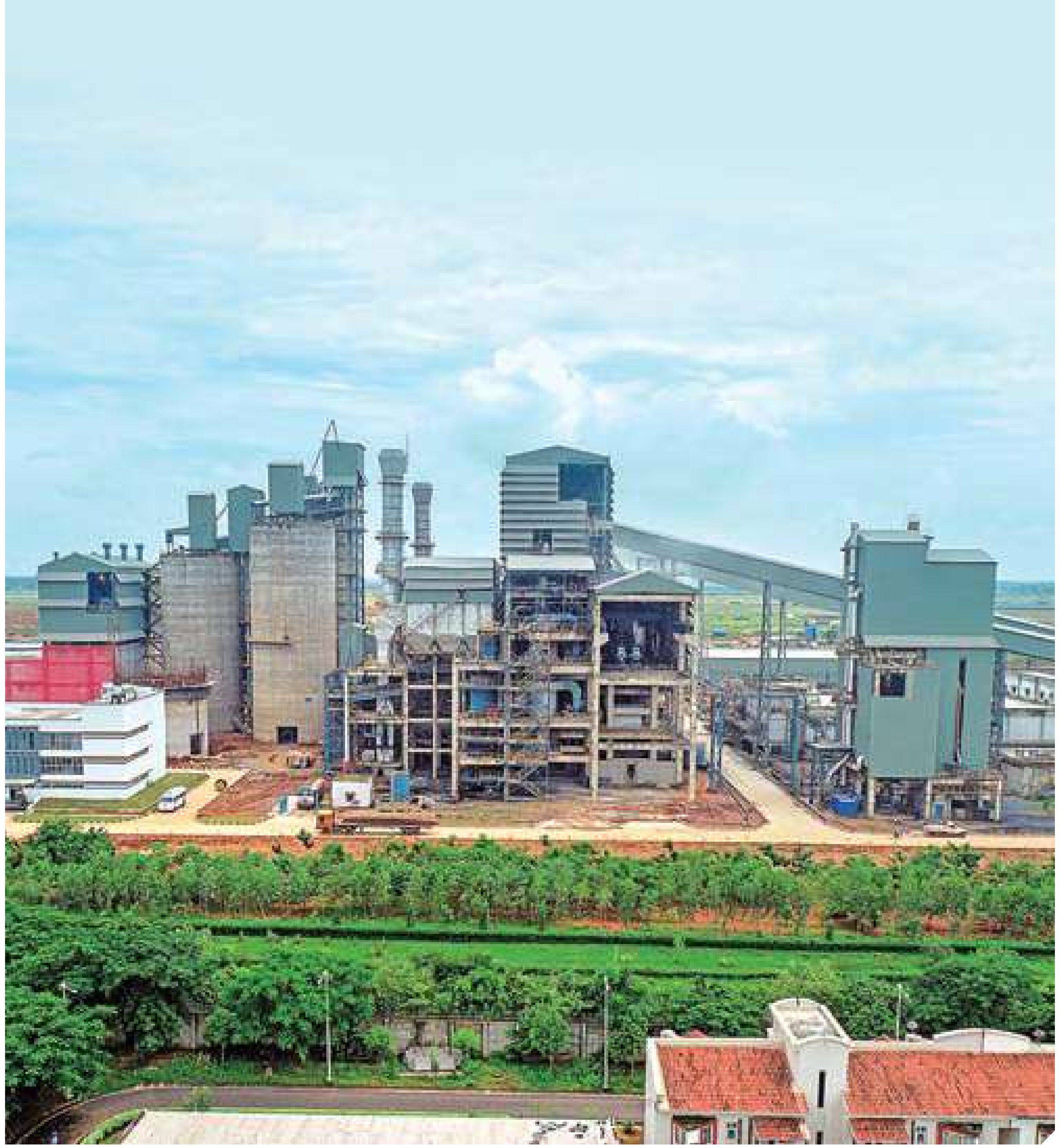
Our business model works on the principle of using industrial waste to manufacture superior quality cement or cementitious products in an efficient and environment-friendly manner. We primarily focus on low-carbon products, renewable energy, co-processing, electric vehicles, R&D, waste heat recovery system (WHRS), among others.

During FY 2020-21, we have established our long-term targets for 2030, aligning to the sustainable development goals on various aspects related to climate change, biodiversity, water and waste-water, energy, biodiversity, circular economy, supply chain and air emissions.

Addressing climate change

We have undertaken definitive steps and measures to reduce our overall carbon footprint.

- Deployed latest technologies and energy-efficient processes with roller press grinding system for manufacturing cement products
- Utilised industrial waste i.e., blast furnace slag in manufacturing cement and cementitious products
- Co-processed alternate fuel in clinker plants at our Nandyal and Fujairah units to save coal/petcoke
- Utilised waste hot gases from clinker plant for slag drying, saving coal/diesel
- Utilised solar power at the Nandyal unit – 5.5 MW and the Salboni unit – 3.5 MW
- Embarked on the installation 12.2 MW capacity waste heat recovery systems (WHRS) at our Nandyal unit
- Established rainwater harvesting facilities inside the plant premises across our plant locations. Moreover, worked out mining pit at our limestone mines at Nandyal
- Developed greenbelt in and around our plant premises



Improving energy efficiency with PAT targets at our Salboni and Vijayanagar Plants

During FY 2020-21, the Salboni and Vijayanagar plants were considered as designated consumer (DC) in the PAT Cycle 2020-21 to 2022-23 as per the Bureau of Energy Efficiency (BEE). The targets specified by BEE were as follows:

Salboni Plant

Baseline Specific Energy Consumption, SEC – 0.0227 toe/tonne of equivalent product

Target Specific Energy Consumption (2022-23), SEC – 0.0210 toe/tonne of equivalent product

Vijayanagar Plant

Baseline Specific Energy Consumption, SEC – 0.0438 toe/tonne of equivalent product

Target Specific Energy Consumption (2022-23), SEC – 0.0372 toe/tonne of equivalent product

Both the plants are improving energy efficiency by implementing various measures related to product mix, optimisation of process energy, shift to the latest energy efficient equipment wherever feasible and energy efficiency improvement projects among others.

Our sustainability initiatives

Aligned with the triple bottom line, we have undertaken definitive steps to produce quality cement and cementitious products in an environment-friendly manner.

Reduction in clinker ratio

As a continuous effort of the Company, our R&D team is developing processes to conserve limestone and energy, reducing cement manufacturing cost. During FY 2020-21, our R&D team developed an additive used in cement grinding, reducing clinker consumption per tonne of cement produced. It helped us reduce clinker consumption of ~45,890 tonnes at our Salboni and Jajpur plants.

Manufacturing of composite cement

Our Company's R&D efforts have helped manufacture a new range of blended cement product called composite cement. It uses fly ash and blast furnace slag as raw materials. fly ash and blast furnace slag as raw materials. Our Jajpur grinding unit mainly produces composite cement and forms ~68% of the overall product mix from the plant. This product helps us in reducing our manufacturing costs while utilising multiple industrial waste as cementitious materials.

Use of alternate fuel/reduced solid fuels like coal/ pet coke

During FY 2020-21, ~23,200 tonnes of waste was co-processed at our Nandyal plant, in our cement kiln in an environmentally-friendly manner. We have successfully reduced 18,121 tonnes of CO_2 emissions by utilising different types of wastes in place of traditional fuels.

Use of solar energy

During FY 2020-21, we have consumed 11.5 million units of solar power at our Nandyal and Salboni plant, thus contributing ~10,469 tonnes of CO_2 emissions avoided.

Circular economy

A major part of our product portfolio consists of blended cements and cementitious materials, which are manufactured using industrial wastes or by-products. During FY 2020-21, around 88% of production was blended cements, reflecting a 1% increase as compared to the previous year. We have consumed ~5.03 MnT of slag and 0.15 MnT of fly ash during FY 2020-21.

18,121 tonnes
Carbon emissions reduced through waste utilisation during FY 2020-21

5.03 MnT
Slag consumed in FY 2020-21

Energy efficiency

Some of the energy efficiency initiatives implemented during FY 2020-21:

- MVVFD drive installation in RP at Jajpur
- Optimisation of compressed air utilisation at Jajpur
- Discharge chute modification for wagon loading and truck loading at Vijaynagar
- RP UNIT-1 HAG coal conveying blower power saving done by replacing normal DOL feeder to VFD drive at Vijaynagar
- PID control developed for RMBH fan Vs Pre-heater Outlet draft for and fine-tuned at running at Nandyal
- Reduction in press drop across cement mill dust collection circuit at Nandyal
- Replacing of conventional lighting to LED lighting in VRM -1 and Packing Plant at Dolvi
- Installation of Open Access Scheduling System at every 15 minute slot at Dolvi

Committed to Climate Change Action

- We are a signatory to the 'Global Framework Principles on Heavy Industry Initiative', which has a vision to 'Accelerate and scale-up the decarbonisation of heavy industry to align with a 1.5C global warming trajectory with urgency'
- We have also committed to all three of the Climate Group's campaigns - RE100, EV100 and EP100 in a single go and we are globally the first company in heavy industries to do so

We are participating in CDP response for the last three years to ensure open and transparent communication to our stakeholders and the society at large. Our last year CDP response band was 'B-', which is in the Management Band.

We are part of Global Cement & Concrete Association (GCCA), globally as well as of the Indian arm. GCCA is working on various initiatives on sustainability and innovation along-with its member companies, affiliates and partners. As part of this, there are working groups on various aspects of sustainability. We lead the working group related to communications & policy advocacy. We have also become the member of GCCA Innovandi Network, which is a standalone entity works on R&D programs in minimising the carbon footprint of cement.

The products such as Enduro Plast (Ready mix plaster) and Dura Flor (Floor hardener) have a higher usage of slag resulting in resource conservation and CO_2 emission minimisation.

B - Management
Band awarded to JSW Cement by CDP

Building capabilities, empowering teams

As we grow as a company, we are relentlessly trying to innovate new ways of integrating and fostering a vibrant and diverse work culture.

Every year we are progressing towards our 25 MTPA vision, made possible with the tireless efforts and collaborations of various teams. FY 2020-21 was no different. At JSW Cement, we launched a set of interventions aimed at streamlining our business, while ensuring growth.

People managers and the HR team formed a partnership to ensure the 'People connect' engagement was maintained. We also introduced Performance Management system for employees placed at grade L4 to L8 through our online portal to have a focused approach to develop employee capabilities with a lower rating.

Capacity building

We believe in nourishing our people through various development programmes to provide them with robust exposure and ensure operational stability by retaining expertise, providing business performance continuity, reducing cost and alleviating succession planning.

During FY 2020-21, we conducted various technical and behavioural workshops on the topics of finance, art of public speaking, problem solving and decision-making.

Technical workshops on the topics of roller press operation, slag grinding and reactivity, process maintenance, impact of cement manufacturing to environment among others were conducted via virtual platforms.

A special drive 'Know Your Product' – was conducted for the sales and marketing teams, aimed at building their technical knowledge and product acumen. Another programme on "Building Leadership Capability to Drive Business Performance" was conducted for the sales team which focused on:

- Understanding the importance of constructive feedback in context of role, team and organisation
- Understanding why, when and how to give constructive feedback
- Demonstrate use of tools and techniques for giving feedback
- Apply the feedback framework in live cases in the context of team members

Our 'People Story' initiatives

We have developed an approach towards building a team that is well engaged and 'second to none.' Several initiatives that were undertaken include:

Performance Management

At JSW Cement, we extended the performance conversations, individual goal setting and performance management process to our employees in officers' grade, helping them have better clarity on deliverables as well as connect individual aspirations with the common vision and goal of the organisation. We have even extended incentives across our employees to facilitate higher performance levels during the economy recovery sales and have also revied the sales incentive structure in view of JSW One, with a different business strategy.

Digitisation

In our strive to being efficient and effective through digitalisation and automation, we have launched *myJSW*– a single platform that integrates all HR processes. Our employees can now access all information related to HR on a single App. We organised training sessions to educate our people about the platform leading to a swift and 100% adoption. We have also shifted our management of contract labour to a digitised platform through the launch of CLMS software across our manufacturing locations, improving attendance management, cost and payment efficiency and manpower management.

100%
Employees adopted myJSW App

Other Initiatives

We rolled out 'Coffee with Your Team', a team connect initiative to encourage a two-way communication between team members. These sessions include team building exercises, performance updates and way forward discussions followed by a questions and answers session. We have also successfully transitioned our on-boarding and induction process to the virtual mode to ensure learning and orientation for the new joinees to better integrate them into the system.

Our fleet drivers form an integral part of our business. We leave no stones unturned in engaging with our drivers to ensure their wellbeing. In view of this, we have built a specially designed 100-seater drivers complex for them comprising of a cafeteria, toilet block and an entertainment room.

Transforming sales through Project Kshamata

At JSW Cement, we have embarked on a transformation journey with Project Kshamata, aimed at improving our go to market strategy and overall sales and marketing capabilities with a keen focus on people. Through this project, we have introduced several key initiatives to improve our employee engagement, efficiency and effectiveness.

74%
Factory orders placed through Sales SAATHI App

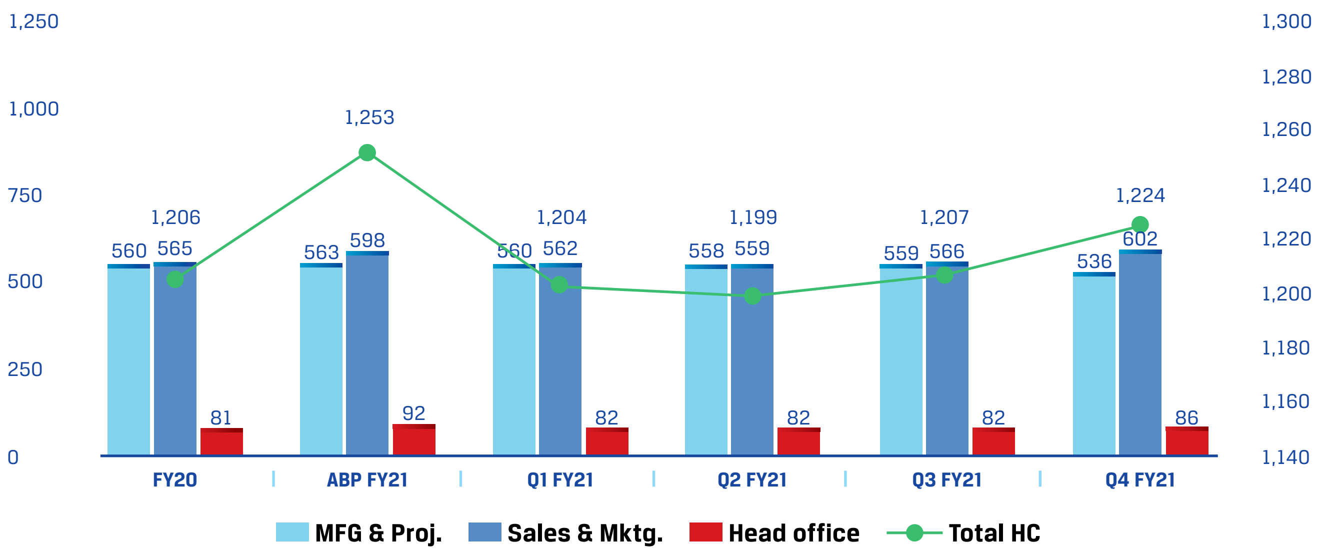
Social - People (contd.)

Metrics (standalone)

Performance Comparison Trend

Description	FY 2020-21	FY 2019-20	% Change
Revenue (₹ Crores)	3,413	2,761	23.6%
EBIDTA (₹ Crores)	863	646	33.5%
Employee Details as on 31st March			
Employee Count	1,224	1,206	1.5%
CTC (₹ Crores)	173	166	4.4%
EBIDTA/Employee (₹ Crores)	0.7	0.5	31.6%
Cost/Emp (in ₹ Lacs)	14.2	13.8	2.8%
Cost as % of Revenue Cost	5.1%	6.0%	-15.6%

Manpower (Nos)



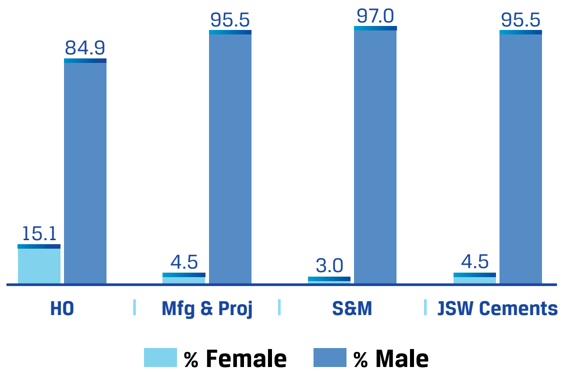
On Roll Employees

Division	March 31, 2020		March 31, 2021	
	HC (Nos)	CTC (in ₹ Crores)	HC (Nos)	CTC (in ₹ Crores)
Manufacturing & Projects	560	60.0	536	61
Sales & Marketing	565	70.0	602	73
Head Office	81	36.0	86	40
Total	**1,206**	**166.0**	**1,224**	**173**

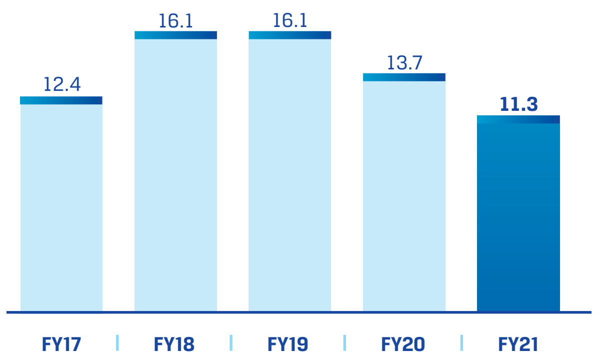
Associates

Division	March 31, 2020		March 31, 2021	
	HC (Nos)	CTC (in ₹ Crores)	HC (Nos)	CTC (in ₹ Crores)
Manufacturing & Projects	1,415	28	1,584	33
Sales & Marketing	93	2	115	3
Total	**1,508**	**30**	**1,699**	**36**

Diversity



5 Year Attrition Trend (%)



Safety

Prioritising health and ensuring safety of our people

Workplace safety remains vital for ensuring seamless operations. Safety and wellbeing of our employees are of paramount importance at JSW Cement. We have put in place several measures and policies to achieve our overarching objective of zero harm across our operations.

Glimpse of the safety measures undertaken at our plants during FY 2020-21:

Nandyal

- Significant improvement in near-misses reporting, with a total of 2,149 reported in the financial year and all the high potential near misses are analysed and actions were taken to prevent accidents.
- A total of 19,868 training man-hours clocked in FY 2020-21 helping us strengthen our safety systems.
- Celebrated National Road Safety Month and National Safety Week. Organised various competitions and awareness campaigns covering maximum employees and workmen with the presence of Deputy Chief Inspector of Factories, Kurnool and ADFO, Nandyal in the closing ceremony.
- A total of 12,794 unsafe acts and conditions were identified and closed to prevent incidents.
- Provided platforms for opening and closing of bulker doors at cement loading areas, which help drivers in safely reaching and operating the doors.
- 100% compliance with all statutory safety requirements.
- Safety manual and WAH, CSE procedures rolled out.
- Designed and erected a platform for carrying out vertigo test, to ascertain the medical fitness of workmen working on projects involving heights.
- Five mock drills conducted during FY 2020-21 to evaluate the evacuation and response plan and necessary actions were taken to strengthen the plan.
- Identified and prepared JSA's for all routine and non-routine activities which were further communicated to workmen while carrying out jobs at the site.
- Lock out, Tag out implementation strengthened during FY 2020-21. Devices were provided for all energy sources and personal locks were provided for maintenance workmen.

Vijayanagar

- 474 safe man-days without reportable incident until 31st March, 2021
- 574 workers were awarded 'Safe Worker of the Month' to improve safety culture.
- Celebrated National Safety Day and Week 2020 for enhanced safety awareness
- Successfully completed Composite Cement and PSC bulk-loading projects without any incident
- 100% compliance of all statutory safety requirements
- 1,006 near-miss cases were reported in FY 2020-21
- 17,456 of training on safety systems imparted to all employees and contract workers
- 1,023 safety observations identified and corrected during FY 2020-21
- Celebrated the National safety week and distributed prizes to competition winners.
- Special training programmes were conducted on firefighting shift associate employees and employees.
- Training programmes on Contractor Safety Management were conducted for employees to enhance the knowledge on contractor Safety Management Standards
- No first aid cases reported in the last five months of the financial year

Salboni

- 1,577 near-miss cases were reported and investigated.
- 12 workers were awarded for being the best safety performer to improve the safety culture.
- 3,799 out of 3,856 observations were are identified and closed to make the workplace safer.
- Empowered all employees and contract workers with 15,459 training hours on safety
- Conducted OPC silo cleaning without any injury.
- Pre-Qualification Assessment done for 20 contractors

Dolvi

- Carried out a detailed audit of Machine Guarding, Electrical Safety and Working Platform
- A total of 943 near-miss cases were reported during the financial year
- Carried out successful commissioning of the M-Sand Project without any incidents.
- Declared as a ZERO HARM workplace in FY 2020-21
- Empowered all employees including associates with 20,090.5 training hours
- 193 workers were awarded for their contribution towards making a safe work place during FY 2020-21
- 13,077 out of 13,180 unsafe act/behaviors closed during FY 2020-21.
- Celebrated the National Safety Week.

Jajpur

- 1,257 safe man-days without reportable incidents until 31st March, 2021
- Imparted 11,775 training hours during FY 2020-21
- 1,137 near miss cases reported with all high potential cases being investigated
- Started and implemented the DuPont Safety Excellence Journey
- Celebrated the National safety week and distributed prizes to competition winners
- 1000MT Silo Project completed successfully without any reportable incidents
- Rolled out 10 JSW safety critical rules
- Launched JSW CARES
- Began a Rolling Trophy for highest near miss reporting
- Successfully commissioned a fire-fighting system
- Displayed safety signage for raising awareness

Shiva Cement (Operations)

- Reported 678 near misses during the year under review
- The year was declared as a "ZERO HARM" workplace
- Imparted 2,470 training hours to all employees including associates
- Awarded 48 workers for their contribution towards making the workplace safe
- Closed 647 unsafe acts/behaviors against 728 during FY 2020-21
- Conducted mock drill at plant with the help of electrical department, Local Community Health Centre(CHC)-Kutra for emergency preparedness against electric shock during work
- Conducted mock drill at mines with all WMC, SI on Quarterly Basis
- On Job Training Conducted at mines with associates
- Celebrated 58th Annual Mines Safety week at mines
- 10 JSW Safety rules displayed at conspicuous inside plant

Shiva Cement (Project)

- Achieved 2.5 million Safe Man-hours and Completing 365 safe Man-days without Loss Time Incident.
- Declared as a "ZERO HARM" workplace.
- Imparted 37874 training hours to workers and employees
- Achieved zero frequency rate, severity rate and incidents rate
- Celebrated Safety Week/Month
- Reported and investigated 536 near misses
- Awarded 86 workers and employees as Safety Champion for their valuable contribution to achieve organisation safety goals and objectives
- Recorded and closed 6895 safety observations
- Successfully launched JSWCARES standard
- Prepared and successfully implemengted Monsoon Preparedness & & Response Plan
- 100% compliance of all statutory requirements pertaining to Health & Safety.
- Successfully introduced all Construction Safety Guidelines in Projects.

Fujairah Plant

- Reported 82 near misses were reported
- Imparted 4244 training hours imparted to all employees including associates
- Awarded 10 workers for their contribution towards making the workplace safe
- Identified 605 unsafe acts/behaviors during the year
- Installed sterilisation tunnel at the entrance of project office
- Conducted machine guarding audit
- Conducted emergency evacuation mock drill at 33kV project site
- Installed new safety sign boards, traffic sing board and slogan boards in plant
- In line with JSW safety month celebration, conducted online quiz competition to employees on "Conveyor safety" and felicitated the participants
- Carried out sanitisation at CCR building and shift offices
- Organised training initiative on firefighting system operations and emergency preparedness to all employees including contractors

Our plant-wise safety budget breakup is as follows:

S No.	Location	Budget consumed in ₹ Lakh
01	Nandyal	54.3
02	VJNR	39.5
03	SLB	72.5
04	Dolvi	21.4
05	Jajpur	34.5
	Total	**222.2**

Our progress in achieving Safety Excellence

Safety is a key factor of consideration in every business. We at JSW Cement have undertook our Safety Excellence Journey to imbibe safety practices to protect our employees, our assets from any work-related health issues and injuries. Some of the safety measures that form part of the journey includes:

- 'Cement Group Safety Council' meeting conducted monthly being reviewed by the CEO for the progress of safety management system of all locations.
- Implementing consequences management system at all locations.
- Implemented full pledged safety management system at our new Jajpur plant.
- Duly following COVID-19 protocols at all locations to avoid the spread of infection.
- 35 first aid & 4 LTI & MTC cases reduced as compared to previous year by implementing a strong safety management system.
- Zero fatalities reported during the year.
- Group LTIFR (Lost time injury frequency rate) was 0.44.
- Carried out conveyor belt safety gap analysis and undertook 85% of the corrective actions. We aim to complete the remaining work during FY 2021-22.
- Prepared Job Safety Analysis (JSA) documents for all routine and non-routine activities, explaining the hazards and its respective mitigation measures to avoid any unwanted incidents across all locations
- Prepared, approved, displayed and explained the 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 their individual procedure and training modules and have commenced with the training programmes at all locations.
- All senior employees (L8 and above) have been trained on Safety Observation procedure (SO). SO tours were carried out as per schedule across all operating locations with the schedule compliance being 83%.
- All contractors to mandatorily go through the Pre-Qualification Assessment to ensure Contractor Safety Management (CSM). The cut off score was seen at 70%.
- Rewarding safe working employees to encourage the safety culture at all locations.
- Training the drivers on defensive driving techniques on a daily basis
- All incidents and high potential near miss cases being investigated and preventative actions are being implemented to avoid the reoccurrence which are further reviewed by executive committee on a monthly basis.

Safety Performance

Period	Fatalities		LTIFR		TRIFR	
Unit	No.	Rate	No.	Rate	No.	Rate
FY 2020-21	0	0.47	0.00	0.44	7	0.62
FY 2019-20	0	0.42	0	0.35	11	0.78

During FY 2020-21, LTI and MTC cases have reduced by 4 as compared to the previous year, though the LTI frequency rate has increased by 0.09 (From 0.35 in FY 2019-20 to 0.44 in FY 2020-21) due to less man hours worked in view of the nation-wide COVID-19 lockdown in Q1 FY 2020-21. We have also reduced first aid cases by 35 during the year.

Number of days worked without Lost time incident (LTI)

Plants	Days
Nandyal	246
Vijaynagar	79
Dolvi	522
Salboni	406
Jajpur	1,257
Shiva	364
Shiva Project	151
Fujairah	10

Safety training deployed at our plant locations (Hours)

Plants	FY 2019-20	FY 2020-21
Nandyal	28,748	19,608
Vijaynagar	17,453	18,981
Dolvi	15,756	20,089
Salboni	16,412	15,459
Jajpur	2,850	11,775
Shiva	626	2,485
Fujairah	2,890	4,294
Total	**84,735**	**92,619**

Promoting sports as part of our nation-building agenda

JSW Cement has played a pivotal role in promoting football through the JSW Football Academy in Salboni. With the launch of our football team, Bangalore FC in 2013, our association with the sport has grown deeper. In line with Mr. Parth Jindal's vision of paving way for a strong national football team, we have actively tried to nourish talents by providing professional training to children and inspiring them to become pro footballers.

The Academy's approach is to search and bring out the hidden sporting talent in the surrounding Direct Impact Zone (DIZ) villages by imparting training to children, especially from disadvantaged sections of society.

Training and grooming young talent

- Scouting was carried out under the strict guidance and rules of Bengaluru Football Club (BFC) Team in Salboni for selection of the boys.
- Preference was given to boys aged under-13 and under-15 from our DIZ villages.
- We covered all the schools located in DIZ villages and the surrounding areas
- We also undertook measures to mobilise parents, school teachers and community youth to cover almost all the under-15 children
- The academy practices 3 days a week with the following schedule of:
  - Under-11 and 13 (14 players)- Monday, Wednesday and Friday
  - Under-15 (22 players) - Tuesday, Thursday and Saturday

Providing players with top-notch facilities

- Players were provided with football kits which included boots, jersey, shorts, socks, shin guard and winter track suits
- Free transportation was provided to the players, right from pick up from common pick-up points and drop off after the practice hours
- Food was arranged for all the players before and after practice as per the recommended diet chart
- Made arrangements of first-aid on the ground
- Meetings with guardians and school teachers were arranged to keep them updated about the progress of their wards
- Frequent practice matches are organised with different local football teams to gauge the progress of academy boys as well as build competitiveness and confidence among them
- Academy boys participated in the school district trial of Under-13 and Under-15, organised by District Sports Association.
- Academy boys also started participating in various football tournaments.

Gaining recognition

- The Football Academy organised a knockout football tournament at the academy ground for U-13 boys where teams from our adjoining DIZ villages like Bankibandh, Borju, Dakhinsole participated. Our boys won the finals, beating the team from Borju, a tribal village. With grit and determination, our boys remained unbeaten throughout the tournament
- The academy boys were successful in winning a U-12 sub-divisional district football Tournament in Howrah district in February 2020. Apart from the Winner's Trophy, the boys also bagged the Top Scorer, Man of the Match and best Goalkeeper of the tournament awards

Enhancing social impact responsibly

We have evolved an integrated and participatory approach in our community initiatives through constant stakeholder engagement. We aim to deepen and widen relationships with all communities we work with.

Through our CSR initiatives, we have been able to support people across various intervention areas. Our aim is aligned to a greater goal of making the communities self-reliant, contributing to our vision of nurturing a self-reliant India. Our CSR activities are directed largely towards.

- Livelihood
- Education
- Health
- Rural development
- Sanitation

Nandyal

Objectives

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

Initiatives undertaken

- Provided training in tailoring, making jute products and acid phenyl making
- Organised jute product exhibitions
- Provided capacity building to 140 Self-Help Groups (SHGs)

Impact

- Trained 237 women in FY 2020-21
- The women earned up to ₹7,000-₹8,000 per month
- 16 SHG members availed loan of ₹50 lakh from the government
- The overall standards of living improved through the initiatives

772
Women trained and empowered so far

Objectives

- Increase in 10th pass out rate from 92% to 95%
- Ensure 100% student enrolment in Direct Impact Zone (DIZ) villages
- Zero school dropouts

Initiatives undertaken

- Organised an awareness drive for student enrolments
- Provided education kit to 523 students
- Provided teaching through digital classes in 14 schools covering 2,500 students
- Engaged services of Vidya tutors across five schools
- Organised nine nutrition drives reaching out to 559 anganwadi students
- Provided sanitary napkins to 1,056 adolescent girls
- Spread awareness on COVID-19 and distributed masks to 2,500 students

Impact

- 100% of 10th standard students promoted to higher classes
- Two students selected for NIT
- Improved health and well-being of the students

ZERO
Dropout rate maintained

Objectives

- Prevention and control of non-communicable diseases
- Sustaining 100% institutional deliveries and immunisation
- Promoting 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 26 mass COVID-19 screening camps in association with the government health department
- Provided awareness on COVID-19 and distributed 20,400 masks in villages
- 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)
- Carried out sanitation in surrounding villages of the plant once a week

Impact

- COVID-19 screenings carried out for 2,764 suspected cases out of which 557 positive cases were treated in the quarantine centre
- Treatment of 293 non-communicable disease cases is underway
- Sustaining increased outpatient footfall (200%) at the PHC in Gadivemula
- No malaria case recorded for the last four years in the DIZ villages
- 100% institutional deliveries and immunisation

3,800+
Villages catered to through special health camps

Objectives

- Ensure ODF+ in DIZ villages

Initiatives undertaken

- Spread awareness in the villages on sustaining ODF and to achieve ODF+ in association with Gram 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

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

- RO Plants are functional and villagers have access to purified water
- Supported communities with gap funding for community building
- Maintaining 82 solar streetlights in the surrounding villages
- Filled a 3 km field approach road with gravel for EASY movement of vehicles and bullock carts
- Distributed 9,000 saplings in the surrounding villages of the plant

Impact

- Improved infrastructure in villages by providing street lights and roads

8,500
Villagers getting purified water

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 handholding to 430 farmers to support an improved and climate-resilient agriculture practice
- Providing land preparation, preparing pilot land and land treatment support to farmers for better production
- Converting barren and mono-crop land to multi-crop land and support to farmers for multi cropping
- Providing field support to farmers on early disease identification and control of various crop diseases through integrated pesticide management (IPM) to achieve better production
- Facilitating credit linkage and convergence with Government Schemes.
- Capacity building training for SHGs, establishing credit linkage
- Training on livestock rearing for SHG members
- Facilitating market linkage for promoting SHG-made phenyl and detergent products in the local market
- Supporting SHGs for participating in trade fair for promotion of their product

Impact

- Paddy yield increased by 12% as compared to FY 2019-20 from 24 quintals/acre to 27 quintals/acre
- Cultivable land area increased from 467 acres to 510 acres
- 43-acre land converted from mono-crop to multi-crop through integrated farming model
- Cultivated potato in 227 acres of land with an average yield of 154 quintal/acre
- Through convergence, 264 farmers benefited from government schemes such as Krishak Bandhu, Livestock insurance scheme, Krishi Vigyan Kendras (KVKs), etc.
- 74 members trained on livestock rearing
- 9 SHGs received loan of ₹15 lakh and invested in various income-generation initiatives

510 acres
of cultivable land created

Objectives

- Creating livelihood opportunities

Initiatives undertaken

- Plantation maintenance on daily basis
- Regular manuring and fertiliser through drip irrigation system
- Developing new vendors for better and sustained revenue
- Provided job training and development for building farm manpower capacity
- Harvesting of various fruits
- Carried out land preparation including installation of drip irrigation system for 33 acres of new plot for Cashew and Teakwood project
- Plantation of 4,500 cashew nut saplings across 28 acres of new land
- Plantation of 5,000 teakwood saplings in 5 acres of land
- Replacement of 8,500 banana plants with new saplings

Impact

- 38 families have got livelihood opportunities

Objectives

- Ensure 0% dropout among secondary school students
- Improve the read/write ability of children
- Capacity building of 25 teachers
- Remedial support to 350 secondary students with 100% promotion to next class

Initiatives undertaken

- Teaching/Learning Materials (TLM) support for better class management and joyful learning
- Digi class for better learning in primary schools
- Capacity building programme for 40 school teachers
- Coaching classes for 350 secondary students on a regular basis
- COVID-19 awareness programme for children and parents
- Sports events and various extracurricular events

Impact

- Ensured zero drop out
- 30 students will appear for the Board exam
- Various engagement events conducted for the children such as special classes, sports events, various creative sessions etc
- Organsied teacher's capacity building program on Pedagogy

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
- Conducted health screening program in the community
- Raised COVID-19 awareness program in community and distributed 5,000 masks
- Spread awareness on maternal and child health care in DIZ villages
- Undertook sanitisation drive on a regular basis in surrounding villages

Impact

- 135 people availed the ambulance service; no case of death was reported
- Ensured 100% institutional deliveries
- No case of death reported due to sun stroke

8,354 villagers
availed the health services through mobile and static clinics

Rajgangpur (Shiva Cement)

Objectives

- Train and empower tribal women and help them become self-sufficient through livelihood activities

Initiatives undertaken

- Organised 21 awareness sessions on capacity building training
- Trained 60 women in tailoring
- Conducted training on organic farming for 30 farmers
- Supported farmers in providing quality seeds, fencing wire for crop protection and bio pesticide
- Provided training on mushroom cultivation to 110 women in association with Government
- Established linkages with Government for financial support to women groups

Impact

- Formed 27 SHGs and the SHGs received loan of ₹3 lakh from Government.
- 33 women are earning ₹7,000 per month through mushroom cultivation.
- Reduced dependency on agricultural income
- Increased loans from the cooperative through the expansion of women's businesses
- Witnessing better public participation of women in local governance

Objectives

- Ensure accessibility of quality healthcare services to people of DIZs
- Malaria free DIZs

Initiatives undertaken

- Supported health department and community in fighting Covid-19.
- Installed Sanitising machines in the schools and government offices
- Initiated awareness campaigns on personal hygiene, cleanliness and Covid-19.
- Initiated anti-malarial fogging in the DIZ villages
- Distributed PPE kits in the villages

Impact

- Reached out to 1,350 villagers through screening
- Achieved better control on the spread of dengue
- Reduced fever cases
- Achieved behavior change of 20% population in the DIZ

Objectives

- Ensure proper infra facilities in DIZ villages

Initiatives undertaken

- Installed 40 solar street lights in DIZ villages
- Provided solar water supply in Five villages
- Bridged gap between community and government schemes through Haqdarshaq Project.
- Distributed and planted 4,000 saplings in the DIZ villages
- Constructed 300 mtr road and 200 mtr drainage
- Constructed new bus shelter for villagers
- Installed three water purifier-cum-freezer.
- Organised five inter-village sports competitions in the village

Impact

- 2,200 villagers are getting purified water.
- Infrastructure in villages improved (Street lighting).
- 5,000 villagers fetching domestic water.
- 300 villagers got benefitted with various Govt. schemes
- 20 villagers participated in District level football and Hockey championship.

Jajpur

Objectives

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

Initiatives undertaken

- Constructed two classrooms in the government schools of Jakhapura
- Constructed two classrooms in the government upper primary school of Balungabandi
- Renovated toilets in government upper primary school of Balungabandi

Impact

- 210 students will be benefitted through Improved infrastructure and safe and healthy classrooms
- Providing a conducive environment for girl children to feel safe and secure

Objectives

- Ensuring provision of quality healthcare services to the DIZ villagers
- Strengthen PHC/CHC outreach and services

Initiatives undertaken

- 2,820 cooked meals served to patients admitted in CHC, Danagadi during the lock down
- Provided logistics support to CHC, Danagadi for 61 days.
- Provided bleaching powder to district administration for the purpose of sanitisation
- Financial Contributed ₹5 lakh to the district administration to strengthen the medical facilities
- Established a 20 bed COVID-19 care center in collaboration with JSL & IDCO, Govt. of Odisha at Jakhapura village

Impact

- Contained the spread of COVID-19
- Prevented COVID-19 from spreading across the community by facilitating the COVID-19 center

Objectives

- To create awareness on environment and tree plantation among the local communities
- To identify and understand the needs and aspirations of the community and address the gaps between the unmet needs/issues and existing solutions for the same
- Bridge the gap between beneficiaries and social welfare schemes by introducing Haqdarshak project.

Initiatives undertaken

- Planted 850 plants to increase the green cover of the area
- Conducted community need assessment across 4 panchayats.
- Facilitated Haqdarshak project intervention in DIZ villages

Impact

- Improved greenery in the villages
- Effectively designed CSR interventions through the community need assessment benefitting approx. 20,000 villagers
- 3,650 villagers availed benefits from various government schemes

20,000
Villagers benefitted through community development programmes

Objectives

- To develop community infrastructure through providing better amenities
- To ensure availability and promote the use of safe drinking water

Initiatives undertaken

- Constructed Drinking water facility at Jakhapura village
- Installed 11 street lights at Jakhapura village
- Provided support of cement bags to Goshala, Jajpur for renovation purpose

Impact

- 25 families have access to safe drinking water.
- Improved infrastructure through better lighting at nights through the use of solar lights
- Ensured a safe shelter for 250 cows

Steering change through good governance

At JSW Cement, we maintain the highest level of governance underpinned by our core values, ethics and policies. Our leadership play a pivotal role in guiding and maximising the long-term value produced for our entire fraternity of stakeholders, ethically and responsibly.

Good governance coupled with a robust risk management framework are integral to our business. Our Board mirrors the confluence of expertise and integrity, further taking appropriate steps in ensuring business sustainability and viability, enhancing stakeholder relationships along the journey of steady progress and growth.

CORPORATE GOVERNANCE FRAMEWORK

TRANSPARENCY AND OPENNESS

↓

Board of Directors

Balanced Board of Executive and Non-Executive Independent Directors with a diverse range of expertise and experience

↓

Provides strategic direction and evaluates overall performance	Ensures the long-term interest of the stakeholders are being served

Board Committees

Audit	Nomination and Renumeration	Sustainability Committee	Risk Management
Project review	Corporate Social Responsibility	ESOP Committee	Finance

Under the guidance of the Board and its committees, JSW Steel drives performance by adopting various policies on key domains such as corporate governance, sustainability and CSR. Respective information on the policies is available at jsw.in/investor-relations-steel

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Key corporate functions

Finance	Manufacturing operations	Logistics	Sustainability	Sales and Marketing	
Legal	Information Technology	Safety	Human Resources	Commercial	CSR

Committees of the Board

The Board comprises seven committees. Each committee shoulders a certain set of responsibilities to help the management in achieving its strategic goals and creating stakeholder value.

Committees	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 to 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 to be spent on 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

At JSW Cement, we have instituted policies and frameworks which help us in upholding the highest standards of good governance and work culture. These policies are regularly are communicated to the management, employees and other stakeholders.

- 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

A robust framework to manage uncertainties

We are constantly identifying, assessing and managing emerging and existing risks to safeguard our business and protect the interests of all stakeholders. Our primary objective is to create and amplify value for all stakeholders in a constantly evolving operating environment.

At JSW Cement, we follow the globally recognised 'COSO' framework of Enterprise Risk Management (ERM). ERM helps us understand the potential upside and downside of all factors that can affect the business. Once the risks are identified, they can be assessed and managed to mitigate in order to:

- Protect our shareholders and the interests of other stakeholders
- Achieve our business objectives
- Enable sustainable growth

We have also 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

Risk Identification

Risk Assessment

Risk Recording

Risk Mitigation

Risk Monitoring

Top identified risks and mitigation measures

We have identified the following key risks and our response to mitigate them:

Risk Domain	Response Strategies
COVID-19 pandemic	› Encouraging eligible employees for COVID vaccination › Strict adherence to guidelines issued by various Govt. authorities › Periodic COVID testing at the plant locations and corporate office › Work from Home facility and provide all necessary support (like VPN, Laptops, etc.) › Providing support to all employees on "We care" platform to ensure emotional wellbeing during lockdown › Issued travel advisory restricting travel to impacting countries › Taking all measures to be ready to resume operations as soon as market open in a normal condition › Conduct vaccination camps at work places › North East region, being the least impacted due to covid Company focused the resources on utilisation of the plant in the North East region (Salboni and Jajpur)
Geo-Political risk due to rising tension at Indo-China border	› Sourced/developed products which are substitutes of the material imported from China. › The cost of these substitutes will be lower than landed cost of the material imported from China. › Company continues to channelise R&D efforts to reduce dependency on the import.
Demand supply dynamics	› In the long run the Cement demand growth rate is estimated to be 1.2x of the India's GDP growth rate. › Government initiative to promote affordable housing and public infrastructure will stimulate the demand. › Widening market base and increased value addition focusing on quality and customer relationship. › Better market intelligence with inputs from marketing team.
Raw material	› Tracking Commodity markets › Options to broad base sourcing › Building captive capacities for slag and clinkers. › Relationship management for regular supply and timely signals about future › Tracking govt. policies/developments in sourcing countries
Infrastructure and logistics	› Having a centralised logistic cell who facilitate and ensures that the logistic cost is optimum by adopting the most economical mode of transport. › By appropriate budget allocation and resource prioritisation to meet the demand of present and future infrastructure set up. › By having a right combination of transportation through road/rail to optimise the operations and cost.

Risk Domain	Response Strategies
Environment, health and safety	› Closely monitoring compliance with norms. › Regularly tracks changes in technology and future norms › Company gives thrust on sustainable products that are safe for consumers. › Safety has been added as a Mandatory Key Result Area (KRA) for employees › Conducting medical checkup of the labour at regular intervals. › Coordinating Safety training, mock drill, best practices, structures audit, Hazop study. › Strong Security arrangements like security check-post, entry pass/identity cards, access control system, CCTVs at critical locations. › Monthly apex safety meetings are held for review of safety aspect, fatal accidents/near miss accidents, if any. › Providing the medical facilities and medi-claim policy cover for employees and their families.

Risk Domain	Response Strategies
Attract and retain the desired talent/ manpower	› Having strong HR policies and processes in place for hiring and retaining of talent. › Providing competitive compensation and robust performance management system to reward potential and initiative. › Creating 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 ESOP to retain the talent. › Providing online learning courses for employees in collaboration with 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, code of conduct › Effective stakeholder and performance management.
Finance	› Tracking and monitoring external events that has impact on financial performance. › 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	Establishing following controls for risks related to the Work From Home (WFH) - › Secure Virtual Private Network (VPN) enablement for home users › Alternate disaster Recovery secure VPN created for resiliency › Advanced phishing and malware protections features. › Weekly Campaign on "How to Securely Work from Home" By taking following measures to control the System vulnerability - › Vulnerability Assessment and Penetration testing for all public facing assets. › Firewall hardening Rule Sets implemented. › Firewall remediation tool deployed & improvements done in identified areas Incorporating cybersecurity and privacy into everyday business decisions and processes. › In view of growing threats of cyberattacks the cyber security awareness program conducted across all the locations. › Monitor threats and respond, investigate and remediate cybersecurity related incidents and data breaches.

*Committee of Sponsoring Organisations of the Treadway Commission

Providing insightful guidance

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 strong 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.

Mr. Parth Sajjan Jindal

Managing Director

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

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.

Mr. Narinder Singh Kahlon

Director, Finance & Commercial

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 25 years of experience in financial accounting, auditing, central excise and custom laws and sales tax. 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 of 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 is 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.

Mr. K. Swaminathan

Non-Executive Director

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: Re-designated as Non-Executive Director wef 1st May, 2021

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.

Mr. Pankaj R. Kulkarni

Independent 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.

*Note: Appointed as Independent Director wef 1st April, 2021.

Mr. Kantilal Narandas Patel

Non-Executive Director

MMr. 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.

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.

Mr. Jugal Kishore Tandon

Non-Executive 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 Indian Institute of Metals in 2000, 'Distinguished Aluminus Award' from IIT Bombay in the year 2001 and 'National Metallurgist (Industry) Award of Ministry of Steel and Mines, Government of India' in 2007.

*Note: Appointed as Non-Executive Director wef 16th April, 2021

Recognised for our efforts

Nandyal

- 'Commendation for Significant Achievement in Environment Management' by CII ITC Sustainability Awards 2020
- 'Apex India Green Leaf Award 2019' under 'Gold Category' for outstanding achievement in 'Waste Management'
- 'Apex India Green Leaf Award 2019' under 'Platinum Category' for outstanding achievement in 'Water Stewardship'

Vijayanagar

- 'Apex India Green Leaf Award 2019' under 'Gold Category' for outstanding achievement in "Energy Efficiency"
- 'Golden Peacock Awards 2020' for outstanding achievement in 'Eco-Innovation'
- 'Greentech Safety Award 2020' for outstanding achievements in 'Safety Excellence'
- 'Greentech Environment Award 2020' for outstanding achievement in 'Environment Protection'

Dolvi

- 'Apex India Green Leaf Award 2019' under 'Gold Category' for outstanding achievement in 'Energy Efficiency'
- 'Greentech Safety Award 2020' for outstanding achievements in 'Safety Excellence'
- Awarded prestigious CII BE Star recognition for Emerging Leader in 'Operations Management'.

Jajpur

- 'Greentech Safety Award 2020' for outstanding achievements in 'Safety Excellence'

Salboni

- 'Apex India Occupational Health & Safety Awards 2020' under 'Gold Category' for outstanding achievement in 'Occupational Health & Safety Management'
- 'Greentech Safety Award 2020' for outstanding achievements in Occupational Health & Safety Management

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 & Commercial

Mr. K. Swaminathan
Non-Executive Director
*Re-designated as Non-Executive Director w.e.f. 01st May, 2021

Mr. Kantilal Narandas Patel
Non-Executive Director

Mr. Pankaj Kulkarni
Independent Director
*Appointed as Independent Director wef 01.04.2021

Mr. Biswadip Gupta
Non-Executive Director

Mr. Jugal Kishore Tandon
Non-Executive Director
*Appointed as Non-Executive on 16.04.2021

Ms. Sutapa Banerjee
Independent Director

Company Secretary

Ms. Sneha Bindra

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

Kfintech Technologies Private Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad - 500 032
Tel: 040 - 67162222
website: www.kfintech.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

Management discussion and analysis

1.0 | Our business 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 current production capacity of the Company is 14 MTPA (Million Tonnes Per Annum) with minimum industrial wastage over the past 13 years. The vision is to build a self-reliant India by boosting colossal infrastructure and fast-growing economy through projects that set benchmarks for the future.

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.

2.0 | Global economic review

FY 2020-21 saw widespread hardships across the world, which have few parallels in human history. The virus outbreak soon snowballed into a tragic health and humanitarian crisis, overwhelming the healthcare infrastructure worldwide, especially the developing world of Asia and Africa. Also, the mobility restrictions imposed by nations to contain the outbreak disrupted economic activity significantly.

Notwithstanding the severe economic contraction of ~3.3% in 2020, the International Monetary Fund (IMF) has pegged global growth around 6% in 2021, which is likely to moderate to 4.4% in 2022. These projections will largely depend on the success of fiscal and monetary support provided by governments and central banks, the momentum of vaccination drives conducted by governments worldwide and how economies broadly shape up across geographies.

Compared to developing nations, advanced economies are expected to recover faster owing to better access to vaccines and large-scale fiscal and monetary support measures extended by governments and central banks in these countries.

The third and fourth quarter of the reporting year witnessed broad momentum after the lockdowns were lifted. Many sectors (especially non-contact-intensive ones) revived due to pent-up demand and changing market dynamics.

Outlook

The pandemic has induced several structural changes in the global economic activity, which has significantly altered the way we work, live and organise businesses. With greater shift to work from home, technology has gained potential to boost productivity, by saving on travel time, boosting sales on online platforms and accelerating the pace of automation.

As a result, the consumption pattern is changing and companies are resetting their supply chains both worldwide as well as locally. Broadly, the demand scenario is improving and will have wider ramifications for the economy, going forward.

Global growth forecast (%)

Countries	Actual	Projections	
	FY 2019-20	FY 2020-21	FY 2021-22
World output	-3.2	6.0	4.9
Advanced economies	-4.6	5.6	4.4
United States	-3.5	7.0	4.9
Eurozone	-6.5	4.6	4.3
Japan	-4.7	2.8	3.0
UK	-9.8	7.0	4.8
Other advanced economies	-2.0	4.9	3.6
Emerging markets and developing economies	-2.1	6.3	5.2
China	2.3	8.1	5.7

Source: IMF, World Economic Outlook Update, July 2021

3.0 | The Indian economy

The Indian economy suffered a deep contraction in the first half of the fiscal year, followed by a subdued but positive growth in the second half. Higher capital expenditure of the government budgeted for FY 2021-22, expectation of a third consecutive normal monsoon and continued normalisation of economic activities following the momentum of vaccination augur well for the Indian economy. For the entire financial year, the economy contracted by 7.3% [Source: National Statistical Office].

The Reserve Bank of India (RBI) has implemented several steps to maintain easy liquidity conditions and low interest rates to help cushion the impact of the pandemic on various sectors of the economy and to help protect businesses and livelihoods. These support measures are likely to continue until the growth recovery becomes more durable.

Outlook

The Government of India has announced measures such as Production-linked Incentive (PLI) Scheme and enhanced Budget allocation on capital expenditure to help accelerate infrastructure development. These measures are helping shore up business confidence and may drive the revival of project investment activity in due course.

While the pandemic has created enormous challenges, it can also act as an inflection point to alter the trajectory of development for the economy. Enhanced adoption of technology will provide impetus to productivity, growth and income. Leveraging technology in implementing government schemes, training and skill development programmes for the marginalised and the unemployed would be focus areas, as we embark on our journey beyond COVID-19. Income and job creation with digitalisation and innovation can bring about a new age of prosperity for a large number of people.

4.0 | Indian cement industry

4.1

Performance

India is the world's second largest cement producer accounting for ~8% of the global capacity at 540 MTPA. The sector faced a slowdown due to the pandemic and experienced a delay in expansion projects with the stringent imposition of the lockdown. The southern region of India is the largest cement producer accounting for 35% production capacity, followed by the northern (20%), eastern (18%), western (14%) and central (13%) regions. The housing and construction sector continues to remain the largest cement consumer.

[Source: Cement Manufacturers Association].

The demand for cement in India is primarily driven by the housing sector, with a renewed focus on affordable housing followed by the infrastructure development initiatives undertaken by the government. Thus, growth in infrastructure and real estate is likely to hasten the demand for cement in the upcoming years.

The pandemic has impacted the demand-supply equilibrium in the cement industry over the year. Even the rural demand has subsided due to the detrimental second wave of COVID-19. Studies foresee a 4-7% surge in cement production in FY 2021-22 underpinned by the relaxations of restrictions, further opening the market in a phase wise manner in order to augment growth.

4.2

Demand drivers and opportunities:

1. Infrastructure growth

According to the Union Budget, 2019-20, the Government will be upgrading road length of 1,25,000 km under the National Infrastructure Pipeline in the next five years. The NIP under the Union Budget of 2021-22 has expanded to 7,400 projects from the previous 6,835 projects, paving the way for an increased cement demand.

The Budget of 2021-22 has further allocated ₹1,18,000 crore to the Ministry of Road Transport and Highways. It has also announced key infrastructure projects such as the National Highway projects in Nagaland, Rajasthan, Karnataka and Telangana.

2. Rise of affordable housing

India is urbanising at a very fast pace. This is likely to create a huge demand of 250+ lakh additional affordable housing units. The Government of India (GoI) through the Pradhan Mantri Awas Yojana-Urban (PMAY-U) is rapidly moving towards achieving the vision for providing a 'pucca' house to every household by 2022.

It has so far approved 109+ lakh houses, of which over 70 lakh houses have been grounded for construction. The Government of India has made additional outlay of ₹18,000 crore for FY 2020-21 through Budgetary allocation and extra budgetary resources for the scheme under Atmanirbhar Bharat 3.0.

9.5%

estimated real growth for FY 2021-22

3. Rural development

Rural India's contribution to the national GDP is steadily rising, and several schemes of the Government of India have been effective in enhancing rural cashflow. Good monsoons for three consecutive years (aiding agricultural activities) and the world's largest employment guarantee scheme, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) are helping strengthen rural income. These tailwinds, along with huge pent-up demand is driving rural housing.

Outlook

India's real growth estimate for FY 2021-22 is at 9.5%, and the gradual opening of the economy and increase in vaccination will lead to normalisation. The second wave of COVID-19 had severely impacted domestic cement consumption in both rural and urban areas alike. However, with the easing of lockdowns, construction activities are treading towards normalcy. Rural housing is also seeing a gradual recovery, supported by the higher MSP for kharif crop, increased procurement by Government agencies and improved food grain production in rabi harvest. These factors are serving as a silver lining for the cement sector, going forward.

4.3

Government initiatives

Allocation under Union Budget 2021-22

The government's Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Smart Cities Mission and Swachh Bharat Mission have a Budget allocation of ₹13,750 crore and ₹12,294 crore, respectively.

The government has further allocated ₹1,18,000 crore to the Ministry of Road Transport and Highways and announced key infrastructure projects such as the National Highway projects in Nagaland, Rajasthan, Karnataka and Telangana.

5.0 | Review of operations

5.1
Highlights of FY 2020-21

1. Achieved the highest consolidated sales volume of 8.01 MTPA, which includes cement, GGBS and clinker
2. Commercial operation commenced for 1.2 MTPA grinding unit at Jajpur, Odisha
3. Commercial operation commenced for 1 MTPA clinkerisation unit at Fujairah, UAE

5.2
Way forward

- Commence the construction of 4,000 TPD clinkerisation facility at Shiva Cement Ltd. at Sundargarh, Odisha, subsidiary of JSW Cement Limited
- Debottlenecking and installation of additional balancing equipment to increase the capacity from 14 MTPA to 16 MTPA
- Kiln upgradation at Nandyal to increase clinker capacity from 2.2 MTPA to 2.8 MTPA
- Setting up Ready-Mix Concrete and Dry Mix Mortar
- Greenfield project to put up 0.8 MTPA grinding facility at Salem, Tamil Nadu

6.0 | Financial review

Standalone

6.1
Highlights of FY 2020-21

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Growth (%)
Net turnover	3,413.01	2,761.20	23.6
Operating EBIDTA	783.32	591.59	32.4
EBIDTA margin (%)	22.95	21.43	7.1
Other income	79.85	54.78	45.8
Depreciation and amortisation	154.28	134.92	14.3
Finance cost	277.57	265.42	4.6
Exceptional Items	35.40	-	-
Profit before tax	395.92	246.03	60.9
Tax Expense	138.07	84.28	63.8
Profit for the year	257.85	161.75	59.4
Other comprehensive income	8.42	(10.76)	-
Total comprehensive income	266.27	150.99	76.3
Earnings per share (diluted)	2.61	1.64	59.1
ROCE (%)	17.7	13.7	29.7
Net debt gearing ratio (times)	1.51	1.81	(16.0)

The Company achieved a capacity utilisation of 57% in FY 2020-21 and production of 7.83 MT of cement and GGBS, recording 4.82% growth y-o-y on a standalone basis.

During the year, the Company's revenue increased by 23.6% from ₹2,761.20 crore to ₹3,413.01 crore. The primary drivers of this performance comprised better product mix, presence across diverse markets and strong sales realisations. This has helped the Company report an operating EBITDA of ₹783.32 crore for the year, a 32.4% y-o-y growth. The Company's EBITDA margin for the year stood at 23%. The Company registered a net profit after tax of ₹257.85 crore.

6.2
Revenue analysis

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change (%)
Total manufactured finished goods	3,283.35	2,690.07	22.1
Traded	40.16	9.07	342.8
Government incentive	70.54	44.91	57.1
Other operating income	18.96	17.15	10.6
Gross revenue	3,413.01	2,761.20	23.6

During the year, the gross revenue increased by 23.6% from ₹2,761.20 crore in FY 2019-20 to ₹3,413.01 crore in FY 2020-21.

6.3
Other income

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change (%)
Other income	79.85	54.78	45.8

The increase in other income is primarily due to the increase in interest income on loan given/investment in debenture and miscellaneous receipts in FY 2020-21.

Material cost

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change (%)
Cost of materials consumed, including purchase of traded goods and change in inventories	843.94	584.25	44.4

The Company's expenditure on material consumption increased by 44.4% from ₹584.25 crore in FY 2019-20 to ₹843.94 crore in FY 2020-21. The increase is primarily due to a change in slag price, change in geography and product mix.

6.4
Employee benefits expense

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change (%)
Employees remuneration and benefits	191.08	170.09	12.3

The employee benefits expense increased by 12.3% from ₹170.09 crore in FY 2019-20 to ₹191.08 crore in FY 2020-21. The increase is mainly due to the impact of Jajpur unit salary cost, which was under construction/trial run in FY 2019-20 and increase in ESOP expense due to amendment to ESOP Plan 2016. The Company has an employee strength of 1,224 as on March 31, 2021, vis-à-vis 1,206 as on March 31, 2020.

6.5
Power and fuel cost

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change (%)
Power and fuel cost	387.77	388.01	0.1

Power and fuel cost has remained flat at ₹387.77 crore in FY 2020-21 compared to ₹388.01 crore in FY 2019-20.

6.6
Freight and handling expenses

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change (%)
Freight and handling expense	756.67	636.35	18.9

During the reporting year, freight and handling expenses increased by 18.9% from ₹636.35 crore in FY 2019-20 to ₹756.67 crore in FY 2020-21. The increase is mainly on account of an increase in diesel price, change in terms of sales for certain markets and is partly offset by reduction due to freight rationalisation in markets.

6.7
Manufacturing, marketing, administrative and other expenses

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change (%)
Other expenses	455.68	393.42	15.8

Manufacturing, marketing, administrative and other expenses increased by 15.8% from ₹393.42 crore in FY 2019-20 to ₹455.68 crore in FY 2020-21. The increase was primarily owing to an increase in consumption of stores and spares, packing cost increase, professional fees for Sales and Marketing related initiatives.

6.8
Finance cost

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change (%)
Finance cost	277.57	265.42	4.6

The Company's finance cost increased by 4.6% from ₹265.42 crore in FY 2019-20 to ₹277.57 crore in FY 2020-21. The increase in mainly related to the interest cost for Jajpur project loan, which was capitalised in FY 2019-20.

6.9
Depreciation and amortisation expenses

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change (%)
Depreciation and amortisation expenses	154.28	134.92	14.3

Depreciation and amortisation expenses increased by 14.3% from ₹134.92 crore in FY 2019-20 to ₹154.28 crore in FY 2020-21. The increase of ₹15.68 crore is on account of Jajpur Plant capitalised in FY 2020-21.

₹386.27 Cr
Investments in subsidiaries

6.10
Fixed assets

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change
Tangible assets	3,188.40	2,919.15	269.25
Intangible assets	17.67	10.90	6.77
Capital work-in-progress	238.78	452.68	(213.90)
Total	**3,444.85**	**3,382.73**	**62.12**

The net block of property, plant and equipment increased by ₹62.12 crore during the year to ₹3,444.85 crore.

6.11
Investments

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change
Investments in subsidiaries, associates and joint ventures	386.27	345.95	40.32
Other investments	453.85	320.20	133.65
Total	**840.12**	**666.15**	**173.97**

The increase in investment is mainly due to investment in subsidiary and associate companies.

6.12
Other financial assets

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change
Other current financial assets	56.15	0.01	56.14
Other non-current financial assets	323.32	192.63	130.69
Total	**379.47**	**192.64**	**186.83**

The increase in other financial assets is mainly due to the fair valuation impact of financials instrument held as investment in the group company and receivable of grant income from the Government of West Bengal, interest receivable on loans and deposit given.

6.13
Other non-financial assets

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change
Other non-current assets	112.64	98.96	13.68
Other current assets	142.21	101.72	40.49
Total	**254.85**	**200.68**	**54.17**

The increase in mainly due to increase in advance given to capital and operational creditor.

6.14
Loans and advances

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change
Long-term loans and advances	43.58	34.11	9.47
Short-term loans and advances	224.30	241.43	(17.13)
Total loans and advances	**267.88**	**275.54**	**(7.66)**

On an overall basis, loans have decreased mainly due to return of loan given.

6.15
Inventories

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change
Raw materials	48.06	177.31	(129.25)
Semi-finished goods	7.19	29.11	(21.92)
Finished goods	20.13	44.32	(24.01)
Traded goods	0.32	-	0.32
Stores and spares	129.62	118.70	10.92
Fuel	53.59	33.35	20.24
Total inventories	**259.09**	**402.79**	**(143.70)**

The inventory decreased due to a decline in bulk raw material inventory, semi-finished goods, finished goods. The average inventory holding in terms of days as on 31st March, 2021, is 46 days vis-à-vis 55 days as on 31st March, 2020.

6.16
Trade receivables

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change
Total debtors	527.96	411.07	116.89
Less provision for doubtful debts	(0.90)	(1.12)	0.22
Trade receivables	**527.05**	**409.95**	**117.11**

The debtors in terms of average number of days sales as on 31st March, 2021 is 50 days vis-à-vis 53 days as on 31st March, 2020.

6.17
Borrowings

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change
Long-term borrowings	1,688.91	2,006.62	(317.71)
Short-term borrowings	655.55	341.43	314.12
Current maturity of long-term borrowings	363.28	323.64	39.64
Total borrowings	**2,797.74**	**2,671.69**	**36.05**

Overall borrowing has increased due to withdrawal of fresh loans.

6.18
Trade payables

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change
Trade payables	543.87	575.44	(31.57)
Acceptances	183.72	208.34	(24.62)
Total trade payables	**727.59**	**783.78**	**(56.19)**

6.19
Other financial liabilities

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change
Payable for capital projects	90.62	109.08	(18.46)
Guarantee liability	8.75	5.55	3.20
Security Deposits	189.79	130.33	59.46
Other current financial liabilities (excluding current maturities of long-term debt)	91.37	115.09	(23.72)
Total	**380.53**	**360.05**	**20.48**

6.20
Other non-financial liabilities

(in ₹ crore)

Particulars	FY 2020-21	FY 2019-20	Change
Non-current provisions	43.02	32.01	11.01
Other current liability	120.54	57.56	62.98
Total	**163.56**	**89.57**	**73.99**

The increase in provisions is due to change in discounting factor for mines restoration computation. The increase in other current liability is due to an increase in indirect tax liability due on the Sales for 31st March, 2021.

6.21
Capital employed

The total capital employed increased by 1.5% from ₹3,745.78 crore as on 31st March, 2020, to ₹3,803.65 crore as on 31st March, 2021. The Company's average return on capital employed stood at 17.7% vis-à-vis 13.7% in FY 2019-20.

6.22
Own funds

Net worth increased from ₹1,447.22 crore as on 31st March, 2020, to ₹1,748.23 crore as on 31st March, 2021. The book value per share was ₹17.31 as on 31st March, 2021, as against ₹14.61 crore as on 31st March, 2020.

Consolidated

The Company has reported consolidated revenue, operating EBIDTA and profit after tax of ₹3,858.15 crore, ₹818.73 crore, and ₹249.85 crore, respectively. The Company's consolidated financial statement includes the financial performance 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

7.0 | Market developments

FY 2020-21 has been an unusual year for the entire global economy, and it couldn't have been different for the Indian cement industry. FY 2020-21 experienced the steepest fall in production and consumption as operations across all production plants and construction sites in the country came to a standstill due to the pandemic. While the cement demand contracted by 7% in FY 2020-21, the Company registered an overall sales growth of 7% to 8% MMT in the year gone by.

While the pandemic's impact was visible over Q1 and Q2 of FY 2020-21, we have seen improvements from Q3 and Q4 of FY 2020-21 driven mostly by eastern India, the major driving force being rural and semi-urban segments, which kept the demand momentum strong. Post Q1 FY 2020-21, from the month of August, JSW Cement saw improvements with Q2 FY 2020-21 closing marginally better at 1% growth from last year and Q3 and Q4 of FY 2020-21 at 25% and 40% respectively on a year-on-year basis.

JSW's presence in the premium space increased to 25% from earlier levels of 15% during the year, with an improvement in the trade segment from 57% to 65%.

We have been able to establish ourselves well in eastern market with a price positioning at par with the established players in the region, considering the market is largely skewed to blended cements particularly to our variant of PSC cements. In West Bengal and Bihar, we continue to be a significant player in the premium cement space, with our products priced at par or above the leading market players.

In southern India, while volumes were weak due to pent-up demand, we have been able to grow our premium presence to 33%, compared to the earlier 17%. With Kerala showing marked preference towards the premium space, we are continuing our journey towards products premiumisation.

In the western zone, where direct sales is predominant, we have seen infra-led improvement in sales on the ground particularly in Maharashtra with the Samruddhi and trans-harbour link projects picking up pace. We have had significant supplies to these projects both for our cement and GGBS through the various executing agencies such as L&T, SPCL and Reliance Infra. We are seeing improving demand for our slag cement in institutional customers, where we have been able to influence specifications, considering the benefits of slag in coastal constructions.

8.0 | Distribution development

The Company added a network of approximately 1,500 dealers in the last year and the network currently covers 5,161+ dealers and 8,000 sub dealers. We have also been able to generate better demand for our premium products through selection of right network and ensuring we are present in the top-tier product segment. JSW also sharpened focus in improving customer or channel touchpoints by increasing the field force, rationalising warehouses and engaging more transporters and GPS tracking of goods movement.

The Company also initiated yard management and track and trace projects at our plants to strengthen our logistics and last-mile delivery. Our strengths of transparency in processing dealer discounts, monthly account statement to the dealers and a quicker turnaround on customer concerns continue to help us strengthen our relationships with our dealer community.

Our commitment to the high recall social branding projects continued in the last year with digital film/TVC "Naatil Evideyaanu" going live in Kerala and Tamil Nadu, geo targeted lead generation campaigns taking place on Facebook and other social media, WhatsApp platform launch for channel partners and market storming activities being executed successfully across states under this ambit. In Q1 FY 2020-21, we also had set up a COVID-19 reach-out program to connect with our channel partners and see them through the tough times in facilitating reaching out to doctors, getting essential supplies and other such initiatives.

Leveraging technology

During FY 2020-21, we have significantly leveraged technology with the launch of an improved Field force app – SAATHI App – to improve the efficiency of our field visits and also to give a unified communication across all our channel partners through the sales team. Similarly, we have also initiated work on a dealer WhatsApp channel in addition to our existing dealer and influencer app – Heroes Club app.

9.0 | Risks and areas of concern

The Company follows the globally recognised 'COSO' framework of Enterprise Risk Management.

ERM brings together the understanding of the potential upside and downside of all those factors, which can affect the organisation to add maximum sustainable value to various stakeholders.

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

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

The Company has constituted a sub-committee of Directors to oversee the Enterprise Risk Management framework and ensure:

- Execution of decided strategies with focus on action and
- Monitoring risks arising out of unintended consequences of decisions or actions related to performance, operations, compliance, incidents, processes and systems, and whether they are managed appropriately.

The key risks and response strategies of the Company comprise the following:

Sr. No	Risk Domain	Response Strategies
1	COVID-19 pandemic	The outbreak of COVID-19 worldwide has impacted businesses globally. The pandemic has posed risks to: › Human lives › Business (production and sales) The Company optimised the impact of COVID-19 by: › Encouraging eligible employees for COVID vaccination › Strict adherence to guidelines issued by various Government authorities › Periodic Covid tests at plant locations and corporate office › Work from Home facility and provide all necessary support (like VPN, Laptops, and so on) › Providing support to all employees on 'We care' platform to ensure emotional wellbeing during lockdown › Issued travel advisory restricting travel to impacting countries. › Taking all measures to be ready to resume operations as soon as markets open normally › Conduct vaccinations camp in the workplaces. › Northeast region, being the least impacted due to COVID-19. The Company focused on the resources on utilisation of the plant in the Northeast region (Salboni and Jajpur)
2	Geo-political risks due to rising tension at Indo-China border.	Company de-risks by: › Sourced/developed products which are substitutes of the material imported from China. › The cost of these substitutes will be lower than landed cost of the material imported from China. › Company continues to channelise R&D efforts to reduce dependency on the import.

Sr. No	Risk Domain	Response Strategies
3	Demand supply dynamics	Company de-risks by: › In the long run, the Cement demand growth rate is estimated to be 1.2 times of India's GDP growth rate. › Government initiative to promote affordable housing and public infrastructure will stimulate the demand. › Widening market base and increased value addition focusing on quality and customer relationship. › Better market intelligence with inputs from the marketing team.
4	Raw material	Company de-risk by › Tracking commodity markets › Options to broad-base sourcing › Building captive capacities for slag and clinkers › Relationship management for regular supply and timely signals about future › Tracking government policies/developments in sourcing countries
5	Infrastructure and Logistics	It is de-risk by › Having a centralised logistic cell to facilitate and ensure that the logistic cost is optimised by adopting the most economical mode of transport › By appropriate budget allocation and resource prioritisation to meet the demand of present and future infrastructure set up › By having a right combination of transportation through road/rail to optimise the operations and cost
6	Environment, Health and safety	The Company de-risks by: › Closely monitoring compliance with norms. › Company regularly tracks changes in technology and future norms › Company gives thrust on sustainable products that are safe for consumers. › Safety has been added as a Mandatory Key Result Area (KRA) for employees › Conducting medical checkup of the labour at regular intervals. › Coordinating safety training, mock drill, best practices, structures audit, Hazop study. › Strong Security arrangements such as security check-post, entry pass/identity cards, access control system, CCTVs at critical locations. › Monthly apex safety meetings are held for review of safety aspect, fatal accidents/near miss accidents, if any. › Providing the medical facilities and medi-claim policy cover for employees and their families.
7	Attract and retain the desired talent/ manpower.	Company re-risks by › Having strong HR policies and processes in place for hiring and retaining of talent. › Providing competitive compensation and robust performance management system to reward potential and initiative. › Creating 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 ESOP to retain the talent. › Providing online learning courses for employees in collaboration with Skill-soft to develop project management, team building, communication and other skills.
8	Reputation	Company de-risks by › Strict adherence to applicable statutes through compliance checklists, internal communications, regular audits. › Robust corporate governance practice, code of conduct › Effective stakeholder and performance management.
9	Finance	Company de-risks by › Tracking and monitoring external events that has impact on financial performance. › 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
10	Confidentiality, integrity and availability of data and systems.	Company de-risk by: › Establishing following controls for risks related to the Work from Home (WFH) - › Secure Virtual Private Network (VPN) enablement for home users › Alternate disaster Recovery secure VPN created for resiliency › Advanced phishing and malware protections features. › Weekly Campaign on "How to Securely Work from Home" › By taking following measures to control the System vulnerability - › Vulnerability Assessment and Penetration testing for all public facing assets. › Firewall hardening Rule Sets implemented. › Firewall remediation tool deployed and improvements done in identified areas › Incorporating cybersecurity and privacy into everyday business decisions and processes. › In view of growing threats of cyberattacks the cyber security awareness programme conducted across all the locations. › Monitor threats and respond, investigate and remediate cybersecurity related incidents and data breaches.

10.0 | Green initiative

The cement sector is the world's third-largest industrial energy consumer, 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 wellbeing. 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 the Cement Sustainability Initiative (CSI).

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. Portland cement generates about one tonne 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 Portland cement production for environmental, technical and economic benefits. It also helps in reducing the carbon footprint of the Group.

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.

Directors' Report

Dear Shareholders,

On behalf of the Board of Directors, it gives a great pleasure to present the 15th Annual Report and Audited Financial Statements of **JSW CEMENT LIMITED** ("the Company") for the financial year ended March 31, 2021.

1. Financial Performance-Standalone

The key highlights of financial performance for the Company as reflected by its Audited Financial Statements for the Financial Year ended 31st March 2021 is summarized below:

₹ in crore

Particulars	Standalone		Consolidated	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Revenue from operations	3413.01	2761.20	3858.15	2927.51
Other Income	79.85	54.78	65.48	40.36
Total Income	**3492.86**	**2815.98**	**3923.63**	**2967.87**
Expense				
Cost of material consumed	778.76	610.35	946.45	696.66
Purchase of stock in trade	19.25	8.11	27.64	-
Changes in inventories of finished, goods, semi-finished goods & stock in trade	45.93	(34.21)	25.16	(54.84)
Employee benefit expense	191.08	170.09	205.07	175.24
Finance cost	277.57	265.42	290.65	267.73
Depreciation & Amortization expense	154.28	134.92	178.68	144.66
Power and fuel	387.77	388.01	451.32	404.74
Freight and handling expenses	756.67	636.35	796.75	668.71
Other Expenses	455.68	393.42	592.51	437.70
Captive consumption	(5.45)	(2.51)	(5.48)	(2.51)
Total Expense	**3061.54**	**2569.95**	**3508.75**	**2738.09**
Profit before exceptional item & tax	431.32	246.03	414.88	229.78
Exceptional items	35.40		35.40	
Profit before tax	395.92	246.03	379.48	229.78
Tax expense	138.07	84.28	129.63	75.47
Total Profit for the year	**257.85**	**161.75**	**249.85**	**154.31**

2. Highlights of Performance

a. Consolidated Performance

The total consolidated 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 7.92 MTPA (PSC 3.12 MTPA, OPC 1.00 MTPA, Concreel HD 0.71 MTPA, CC 0.59 MTPA, PPC 0.06 MTPA and GGBS 2.44 MTPA) as compared to production of 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) in the previous year, recording increase of 4.8% over previous year. The total consolidated sales of PSC, OPC, PPC, CC and GGBS during the year under review as 8.01 MTPA (PSC 3.17 MTPA, OPC 1.00 MTPA, Concreel HD 0.72 MTPA, CC 0.60 MTPA, PPC 0.06 MTPA, GGBS 2.46 MTPA) as compared to sales of 7.48 MTPA (PSC 3.02 MTPA, OPC 0.94 MTPA, Concreel HD 0.31 MTPA, PPC 0.20 MTPA, CC 0.14 MTPA and GGBS 2.87 MTPA) in previous year recording an increase of 7.1% over previous year.

b. Standalone Performance

The total standalone production of Portland Slag Cement ("PSC"), Ordinary Portland Cement ("OPC") Concreel HD, Composite Cement (CC), and Ground Granulated Blast Furnace Slag ("GGBS") during the year under review was 7.83 MTPA (PSC 3.09 MTPA, OPC 1.00 MTPA, Concreel HD 0.71 MTPA, CC 0.59 MTPA, and GGBS 2.44 MTPA) as compared to production of 7.47 MTPA (PSC 3.05 MTPA, OPC 0.95 MTPA, Concreel HD 0.31 MTPA, CC 0.15 MTPA, PPC 0.13 MTPA and GGBS 2.88 MTPA) in the previous year, recording increase of 4.8% over previous year. The total standalone sales of PSC, OPC, PPC, CC and GGBS during the year under review as 7.92 MTPA (PSC 3.14 MTPA, OPC 1.00 MTPA, Concreel HD 0.72 MTPA, CC 0.60 MTPA, GGBS 2.46 MTPA) as compared to sales of 7.39 MTPA (PSC 3 MTPA, OPC 0.94 MTPA, Concreel HD 0.31 MTPA, PPC 0.13 MTPA, CC 0.14 MTPA and GGBS 2.87 MTPA) in previous year recording an increase of 7.2% 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 plan, the Board of Directors has not recommended any dividend on the Share Capital of the Company.

5. Impact of COVID-19

In the first half of Current Year 2020, the COVID-19 pandemic had an adverse impact across regional and global economies and financial markets. Most governments reacted by instituting lockdowns, business shutdowns, quarantines and restrictions on travel. Businesses also implemented safety measures to reduce the risk of transmission. Such actions led to disruption of economic activity, leading to many economies encountering a deep slump. However, towards the second half, with the end of lockdown in many countries and resumption of economic activity, consumption picked up and green shoots became visible.

The Company did face some operational disruptions in the beginning of FY 2020-21, which impacted the business. However, it was agile enough to work on a mitigation plan to overcome the challenges and combat the impact of the economic slowdown induced by the pandemic. It made all possible efforts to ramp up capacity utilisation and resume near normal run rates by the end of the first quarter of FY 2020-21. In the first quarter, the Company focused on exports to increase sales volumes, including liquidation of inventory, to offset the loss of sales volumes in the domestic market and improve cash flows. Gradually, as domestic consumption picked up, the Company focused on improving market share in India and domestic sales rose substantially. At the same time, it undertook targeted cost saving measures to recalibrate the cost base across all areas of operations, and leveraged technology and digitalisation to continually drive value.

As a long-term plan, the Company also identified key focus areas to ensure seamless business continuity. One such area is digitalisation, which it will continue to leverage by undertaking digital initiatives, using digital tools to access markets, and digital platforms to ensure operational excellence. It will also reduce its cost base and maintain continuity of its supply chains. Most importantly, it will remain committed to its environmental, social and governance goals.

6. Management Discussion and Analysis

Management Discussion and Analysis is provided as a separate section in the Annual Report.

7. Economic Outlook

India was one of the worst pandemic affected countries, owing to its enormous population and a fickle managed healthcare sector. The economy witnessed a complete shutdown in the Q1 FY21 due to the nationwide lockdown except for the essential categories, leading to an economic contraction of 23.9%. However, the economy witnessed a 'V-shaped' recovery following the gradual opening up of the economy. To tackle the impact of the pandemic and with a vision to make India self-reliant, the Government announced the ₹ 20 trillion package under the Atmanirbhar Bharat Abhiyan 1.0.

The economic activity showed a steep recovery rate in the Q3 FY21 and Q4 FY 21, with the latter again struggling to keep the momentum alive with the ravaging second wave that hit the globe. The micro, small and medium enterprises coupled with a weak labour market are some of the challenges the country is facing in its path of an economic revival. The Indian economy is expected to grow at 8.3% in 2021. With monetary support provided by the government and the vaccination panning out rather efficiently, there is a hope to returning to normalcy, with the support of government policies to set an optimistic future for the nation.

8. Cement Industry Outlook and Opportunities

India is the world's second largest cement producer accounting for ~8% of the global capacity at 540 MTPA. The sector faced a slowdown due to the pandemic and experienced a delay in expansion projects with the strict imposition of the lockdown. The southern region of India is the largest producer of cement accounting for 35% production capacity, followed by the northern (20%), eastern (18%), western (14%) and central (13%) regions. The Indian housing sector continues to remain as the largest cement consumer. The Indian cement production took a sharp dip in April, 2020 with a steady rise May, 2020 onwards.

The cement sector had regained its balance in the Q3 and Q4 FY21, but with the onset of the second wave, the situation has become quite uncertain. The government schemes and policies showcase an optimistic way forward for the cement industry, with an anticipated growth of 4-7% in FY 2021-22. Drivers of growth such as the government impetus on infrastructure development and the need for affordable housing segments, promise a steady demand for the cement sector. The second wave and the anticipation of a third wave are proving to pose a major challenge to the industry, but in view of the major development projects and increased demand, the future looks fairly good for the cement industry.

9. Capital Expenditure and New Projects

The Company is India's leading green cement company with current capacity of 14 MTPA across its manufacturing units at various location in India and it has drawn an ambitious plan to ramp up its production capacity in near future.

The Company has a strong commitment towards innovation in sustainability and technology to offer environment-friendly construction and building solutions. With a strong presence in 11 major states in India, we are now ready to expand our footprint in the country and overseas by adding to our existing seven active state-of-the-art manufacturing plants and three mines and intend to increase our production capacity to 25 MTPA by 2023.

9.1 NANDYAL, ANDHRA PRADESH

- Present installed capacity for clinker is 2.5 MTPA & cement grinding is 4.8 MTPA.
- The Company plans to increase Clinker production capacity from 6500 TPD to 8500 TPD alongwith installation of Waste Heat Recovery Power Plant (WHRPP) of gross generation capacity 12.29 MW. The construction is under progress and clinker plant is expected to be commissioned by June'22 followed by WHRPP after stabilization of upgraded clinker production.
- To streamline dispatches (Clinker loading & Slag unloading) via Rail, 1.2 km of railway line is connected to the main line at Panyam, which is around 38 KM from the plant. Final dispatch approval for the same is to be expected by 15th Sep'21.
- A covered Coal Yard of size 80X59 m (LXW) would be completed in compliance with APCB (Andhra Pradesh Pollution Control Board) by Aug'21
- Liquid Alternative Fuel feeding System for calciner firing is running successfully & that has saved ₹ 179 lakhs in the financial year of 2020-21. Such saving will continue every year. The installed capacity is 3000 l/hr. Fuel used is pharma liquid and approx. 1.2 to 2% TSR has been achieved.
- Solid Alternative Fuel feeding system is running which saved ₹ 339.40 lakhs in the financial year 2020-21. This will be recurring savings every year. The installed capacity is 10 TPH. Fuel used is rice husk, agricultural waste and pharma waste and approx. 2 to 2.5% TSR has been achieved
- The company has constructed over bridge over the Kundu River to facilitate uninterrupted traffic of inward and outward material movement.

9.2 VIJAYANAGAR, KARNATAKA

- Present installed capacity for cement grinding unit is 3.2 MTPA, consisting of 4 no. of RP's and 1 no. of VRM.
- Engineering is completed and construction is under progress for de-bottlenecking project increasing the capacity from 3.2 MTPA to 4.0 MTPA. De-bottlenecking project include new 250 TPH Blender circuit, 240 TPH packer circuit and 5000 MT product silo for producing blended Cement. Project expected to be commissioned by 4th quarter of 2021.
- Dry Mix Mortar (DMM) is commissioned and batch wise production & dispatch of Ready Mix Plaster, Floor Hardener & ICWC Integral Crystalline Waterproofing Compound is under progress.
- The Company plans to further increase Cement production capacity from 4 MTPA to 6 MTPA by installation of another vertical roller mill for grinding. The engineering and procurement activity is under progress and the additional capacity is expected to be commissioned by 4th quarter of FY 2023.

9.3 SALBONI, WEST BENGAL

- Present installed capacity for cement grinding unit is 2.4 MTPA, consisting of 4 no. of roller press's
- Debottlenecking project is under construction. This will increase the plant capacity from 2.4 million tonne per annum to 3.0 million tonne per annum. The scheduled completion is in the 3rd quarter of FY 21-22. De-bottlenecking project includes new 430 TPH blender circuit, new 240 TPH packer circuit and 5000 TPH product silo.
- Further, installation of a Ball Mill in RP1 circuit is under progress. This will enhance the plant capacity from 3.00 MTPA to 3.60 MTPA. The scheduled completion is in the 4th quarter of FY 21-22.
- The construction of Kali Matadi Temple at Ankur Colony, Salboni is at full swing and expected to be completed by the end of 3rd quarter of FY 21-22.

9.4 DOLVI, MAHARASHTRA

- Present installed capacity for cement grinding unit is 2.2 MTPA, consisting of 4 no. of RP's and 2 no. of VRM.
- The Company plans to further increase cement capacity form 2.2 MTPA to 4.5 MTPA. A feasibility report has been prepared, master plan has been formalized and technical discussions with various OEM supplier are under progress.
- Engineering activity for new expansion project is under progress and this includes, New slag stacker & reclaimer, New VRM, Product storage silo and upgradation of raw material handling circuit. Schedule completion is expected by 3rd quarter of FY 22-23.

9.5 SHIVA CEMENT LIMITED, ODISHA

- The new clinkerisation unit of 1.36 MTPA is under construction to cater to the 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.
- Further, the Company has taken mining plan approval for 4.0 million MTPA and applied for getting EC for new auction mine.
- M/s Holtec Consulting Private Limited has carried out, System Design, Basic Engineering and Procurement Assistance activity for setting up 1.36 MTPA clinker plant and 8.9 MW WHRS system. M/s Thermax has been appointed for supply of boiler and M/s Siemens for Turbine.
- The project has started from October, 2020 and is continuing in full-fledge. The project includes crushing circuit for limestone (800 TPH) & dolomite (600 TPH), Raw grinding of RP circuit 320 TPH, clinkerisation unit of 4000 TPH. Technology has been supplied by M/s Thyssen Krupp and construction & execution by M/s L&T. Scheduled completion is expected by 4th quarter of FY 2023.

9.7 FUJAIRAH, UAE

- Commissioning (Kiln Light up) of existing 1.0 MTPA Clinkerization Plant (Line I) was successfully achieved on 26th February 2020 and progressively the 1st clinker was produced on 03rd March' 2020.
- Major highlights
  - Achieved highest clinker production of 3612 TPD in the month of February-21 against the rated capacity of 3000 TPD
  - Highest monthly clinker production of 105,200 MT in the month of May-21 as against the rated capacity of 93,000 MT
- The company plan to install new clinkerization unit of 1.36 MTPA along with WHRS. Procurement activity is under progress

9.8 NEW MINES / AUCTION STATUS:

a. Gujarat:

- Government of Gujarat has extended the validity of Letter of Intent (LoI) with Two years i.e. 20.06.2022
- Environment Clearance for Mudhvay D limestone mine for 1.6 MTPA capacity is granted on 25.05.2021
- The Company at present is in process of obtaining statutory clearances for commencement of mining operations by FY 23.

b. Rajasthan:

- Environment Clearance for 3B2 limestone block for 3.8 MTPA capacity is granted on 31.08.2020.
- The Company at present is in process of obtaining statutory clearances for commencement of mining operations by FY 24.

c. JSW Cement FZE, Fujairah:

- Total Limestone produced from Fujairah Mines in FY 20-21 is 5.734 Million tons. Currently, 6 MTPA crusher is operational
- Total Limestone exported from Fujairah Mines in FY 20-21 is 3.1 Million tons

d. Shiva Cement Limited (SCL), Khatkurbahal Limestone Mine & Khatkurbahal (North) Limestone Block:

- Terms of Reference (ToR) was granted by SEIAA (State Level Environment Impact Assessment Authority) for expansion of existing Khatkurbahal limestone and dolomite mines from 0.3475 MTPA to 1.5 MTPA limestone vide letter dated 14.08.2020
- Terms of Reference (ToR) was granted by MoEF&CC (Ministry of Environment, Forest & Climate Change) for Khatkurbahal (North) Block limestone mine for 1.6 MTPA limestone vide letter dated 19.11.2020.
- Mining Plan approved by Indian Bureau of Mines (IBM) for Khatkurbahal (North) Block for 1.6 MTPA Limestone mining on 03.06.2020
- Received amended Letter of Intent (LoI) on 02.02.2021 with inclusion of mineral Dolomite, which indicates the grant of mining lease for mineral dolomite along with Limestone.
- Mining Plan approved by Indian Bureau of Mines (IBM) for Khatkurbahal (North) Block for 2.4 MTPA Dolomite mining on 24.04.2021
- SCL at present is in process of obtaining statutory clearance for commencement of mining operations by FY 23.

10. 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 incorporated in the year 1985 and the Company is listed on Bombay Stock Exchange, having its Plant site at Shiva Cement Limited, Telighana, PO: Birangatoli, Tehsil-Kutra, District-Sundargarh Odisha-770018.
  - c) Utkarsh Transport Private Limited is a Wholly Owned Subsidiary Company incorporated on 25th April, 2018 and having Registered office at JSW Cement Limited, Babukhan Millenium Centre, 6-3-1099/1100, No. 702, A Block Somajiguda, Hyderabad Telangana 500082.
  - d) JSW Green Cement Limited is a wholly owned subsidiary company incorporated on 18th November, 2019 and having Registered office at JSW Cement Limited, Babukhan Millenium Centre, 6-3-1099/1100, No. 702, A Block Somajiguda, Hyderabad Telangana 500082.
- **Report on Performance of Subsidiaries, Associates and Joint Venture Companies:**

The performance and financial position of each of the subsidiaries, associates and joint venture companies for the year ended 31st March, 2021 is attached as "Annexure-A" in the prescribed format AOC-1 and forms part of the Board's report. The details of performance, financial position of each of the subsidiaries is appended below.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries will be provided by the company to the shareholders on specific request made to it in this regard by the shareholders.

11. 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 followed 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.

12. Credit Rating

During the year, the Company's credit rating was improved by two notches for it's long term loan from "A-" to "A+" by CRISIL and for short term debt the same has been reaffirmed at "A1" by CRISIL.

13. Fixed Deposit

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

14. Directors and Key Managerial Personnel

The Company has a balanced mix of Executive and Non-Executive Directors. As at 31st March 2021, the Board comprises of 10 Directors of which four are Executive Directors, six are Non-Executive Directors including one Woman Director. The Company had three Independent Directors on the Board. All Independent Directors meet the criteria of independence as prescribed under section 149 (6) of the Companies Act, 2013.

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. Pankaj Kulkarni (DIN: 00725144) has been appointed as an Independent Director for the first term of 5 years with effect from 1st April, 2021 and Mr. Jugal Kishore Tandon (DIN: 01282681) has been appointed as Additional Non-Executive Director of the Company wef 16th April, 2021, subject to the approval of the Members at the ensuing Annual General Meeting. Mr. K. Swaminathan (DIN: 01447632) ceases to be the Whole-time Director but shall continue as Non-Executive Director of the Company, consequent to his superannuation on 30th April, 2021.

According to provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Nilesh Narwekar (DIN: 06908109) and Mr. K. Sawminathan (DIN: 01447632) is liable to retire by rotation and being eligible, have offered himself for re-appointment. The Board has recommended their re-appointment as Director.

15. Board Meetings

During the year, four board meetings were convened and held the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

16. 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 31st March 2021 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.

17. Disclosure under section 149(7) of the Companies Act, 2013

The Company has received necessary declaration from each of the Independent Directors of the Company under section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act. 2013.

18. 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.

19. 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.

20. Disclosure under Employee Stock Option Plan and Scheme

The shareholders of the Company in their meeting held on March 30, 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.

During the year under review, 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 was subject to approval of shareholders in the general meeting. The Members approved the aforesaid changes at the Extra-Ordinary General Meeting held on 22nd June, 2020.

Further, the ESOP Committee in its meeting held on 25th March, 2021 approved to scrap Grant 4 & Grant 5 under ESOP Plan, 2016, keeping all other conditions of the plan unchanged and suggested to introduce a new plan for all employees of the Company.

A detailed note on the ESOP is also provided in the Notes to Accounts. (Refer Note No. 40 (e) of Standalone Accounts) of the Annual Report.

21. 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.

22. 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.

23. 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:

- 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.

- **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-B" to this report.

- **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.

24. 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.

25. Auditors

25.1 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.

25.2 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 2020-21. 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 due date for filing the Cost Audit Report for the financial year ended 31st March 2020 was 30th September, 2020, and the Cost Audit Report was filed in XBRL mode on 31st August, 2020.

25.3 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 2021-22. The Secretarial Audit Report is annexed as "Annexure-C" and forms an integral part of this Report. The Report does not contain any observations or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

26. 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-D" to this report.

27. 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.

28. 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.

29. 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 31, 2021 and the date of the report.

30. 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.

31. Copy of Annual Return

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copies of the Annual Return of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and are accessible at the web-link www.jswcement.in.

32. 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.

33. Awards and Recognition

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

a. The Company 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 and implementing several energy efficiency measures in plant operations. All these significant efforts were recognised in the form of following awards:

- Nandyal unit was awarded with "Commendation for Significant Achievement in Environment Management" by CII ITC Sustainability Awards 2020
- Nandyal unit has won "Apex India Green Leaf Award 2019" under "Gold Category" for outstanding achievement in "Waste Management"
- Nandyal unit has won "Apex India Green Leaf Award 2019" under "Platinum Category" for outstanding achievement in "Water Stewardship"
- Vijaynagar unit has won "Greentech Environment Award 2020" for outstanding achievement in "Environment Protection".
- Vijaynagar unit has won "Golden Peacock Awards 2020" for outstanding achievement in "Eco-Innovation".
- Vijaynagar unit has also won "Apex India Green Leaf Award 2019" under "Gold Category" for outstanding achievement in "Energy Efficiency"
- Dolvi unit has been awarded with the prestigious CII BE Star recognition for Emerging Leader in "Operations Management".
- Dolvi unit has won "Apex India Green Leaf Award 2019" under "Gold Category" for outstanding achievement in "Energy Efficiency".

b. At JSW Cement, the health and safety of the people is of paramount importance and the Company make every possible effort to ensure the same at the workplace and at the plant facilities. This year the Jajpur unit in Odisha, Salboni unit in West Bengal and Vijayanagar Unit in Karnataka and Dolvi unit in Maharashtra have received the Greentech Safety Award 2020 in Gold Category. The Foundation is a non-profit organisation committed to recognise and celebrate the ethos of outstanding performance in safety issues.

c. At Salboni unit in West Bengal has also been awarded with "Apex India Occupational Health & Safety Awards 2020" under "Gold Category" for outstanding achievement in "Occupational Health & Safety Management".

34. 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. The Human resources management framework is aligned to the business goals and drives key decisions on business processes and introduction of new technology.

CAPABILITY BUILDING

Capability building has become a high strategic priority for the organization. Employee capability building plays a vital role for the Company. The Company, focuses on Employee development by enhancing their skills and knowledge and fostering a culture of continuous learning. This contributes to operational stability by retaining expertise, providing business performance continuity, reducing cost and alleviating succession planning.

Various technical and behavioral workshops were conducted as per the training needs identified. Keeping in view of the pandemic situation, e-learning was encouraged across all locations & Manufacturing sites. Sessions on Finance for non-finance, Art of Public speaking, Problem Solving & decision making were facilitated. Technical workshops on Roller press operation, slag grinding and reactivity, Process Maintenance, Impact of Cement Manufacturing to Environment etc. were conducted via the online mode.

Business Continuity During Covid-19 in the year 2020 – "We Care" for our Employees, associates, channel partners & local community. In this pandemic situation, social distancing, sanitization, thermal screening, awareness sessions were mandated at all places in our Offices & Manufacturing sites. Continuous sensitization and awareness sessions was carried out on "Covid-19 & its prevention" with various groups. Health and wellbeing of employees, associates and their family members were monitored on a daily basis.

Immunity Boosters, distribution of essentials to nearby villages, donation of oxygen Concentrators for District Health Departments, other medical aid were provided in coordination with government functionaries across all our plant locations. The Company also came forward and donated PPE Kits, Sanitizers Bottles, Masks to the District Police Personnel to ensure safety and wellbeing during the pandemic.

35. Corporate Governance

The Company consistently endeavors to follow corporate governance guidelines and best practices sincerely and disclose the same transparently. The Board is conscious of its inherited responsibility to disclose timely and accurate information on the Company's operations, performance, material corporate events as well as on leadership and governance matters relating to the Company.

The report on the Company's Corporate Governance practices is given as "Annexure-E" to this Annual Report.

36. 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:

- 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 including 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.
- 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 0.44.
- "Cement Group Safety Council" meeting was conducted monthly and the progress of safety management system of all locations was reviewed by the Management.
- The Company followed COVID -19 protocols at all locations to avoid the spread of the infection.
- 35 first aid & 4 LTI & MTC cases were reduced compared to last FY by implementing the strong safety management system.
- Full pledged safety management system was implemented at Jajpur plant of the Company.

37. 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.

38. 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-F" to this report.

39. 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-G" and forms part of this report.

40. Foreign exchange earnings and Outgo

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

41. 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

Date: 01.05.2021
Place: Mumbai

Nirmal Kumar Jain
Chairman
DIN: 00019442

Annexure A

FORM AOC-1

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Subsidiaries

₹ cr except % of shareholding

Sr. No	Name of the subsidiary	Financial year ended	Exchange rate	Share capital (paid-up)	Reserves and Surplus	Total Assets	Total Liabilities	Invest-ments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of shareholding
1	Utkarsh Transport Private Limited	2021	-	1.01	-5.76	29.73	34.50	-	11.95	-2.96	0.92	-2.04	100.00
2	Shiva Cement Limited	2021	-	39.00	-56.27	301.90	319.17	-	28.46	-29.37	7.49	-21.89	59.32
3	JSW Green Cement Private Limited	2021	-	0.01		18.00	18.00	-	-	-0.01	-	-0.01	100.00
4	JSW Cement FZE, Fujairah, UAE	2021	-	187.51	64.08	1,042.84	791.25	-	429.74	18.05	-	18.05	100.00

For and on behalf of the Board
JSW Cement Limited

Date: 01.05.2021
Place: Mumbai

Nirmal Kumar Jain
Chairman
DIN: 00019442

Annexure B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILTY (CSR) ACTIVITIES

[Pursuant to Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company: **The Company's CSR Policy is available on the Company's website at www.jswcement.in**

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Kantilal N Patel	Non- Executive Director	2	2
2.	Mr. Nirmal K. Jain	Independent Director	2	2
3.	Mr. Biswadip Gupta	Non- Executive Director	2	2
4.	Mr. Jugal K. Tandon	Independent Director	2	2
5.	Ms. Sutapa Banerjee	Independent Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

   The Company's CSR Committee; CSR Policy and CSR Project are disclosed on: www.jsw.in

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

   Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2020-21	N.A	N.A
2	2019-20	N.A	N.A
3	2018-19	N.A	N.A
	TOTAL		

6. Average net profit of the company as per section 135(5): ₹ **175.42 crores**

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ **3.5 crores**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

   (c) Amount required to be set off for the financial year: **Nil**

   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ **3.50 crores**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
4.88 crores	-	-	-	-	-

Annexure B

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹ Cr)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Improving Living Conditions	Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making availability of safe drinking water	Yes	Andhra Pradesh	Kurnool	2.03	Yes		
				West Bengal	Paschim Midinipur				
				Odisha	1 Jajpur 2 Sundargarh				
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	Yes	Andhra Pradesh	Kurnool	0.53	Yes		
				West Bengal	Paschim Midinipur				
				Odisha	1 Jajpur 2 Sundargarh				
3.	Addressing Social Inequalities	Supporting livelihood activities and supporting marginalized communities	Yes	Andhra Pradesh	Kurnool	0.36	Yes		
				West Bengal	Paschim Midinipur				
				Odisha	1 Jajpur 2 Sundargarh				
4.	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	Yes	Andhra Pradesh	Kurnool	0.02	Yes		
				West Bengal	Paschim Midinipur				
				Odisha	1 Jajpur 2 Sundargarh				
5.	Promotion of sports	Sports infrastructure development, Honorarium to coordinators & players, Training & nutrition to sports person	Yes	Karnataka	Ballari	1.02	Yes		
				West Bengal	Paschim Midinipur				
				Odisha	1 Jajpur 2 Sunderghar				
6.	Rural Development	Rural roads, drains and other infrastructure development projects	Yes	Andhra Pradesh	Kurnool	0.66	Yes		
				West Bengal	Paschim Midinipur				
				Odisha	1 Jajpur 2 Sundargarh				
7.	Swachcha Bharat Abhiyan	Construction/maintenance of toilets, sanitation and waste management	Yes	Andhra Pradesh	Kurnool	0.19	Yes		
				West Bengal	Paschim Midinipur				
				Odisha	1 Jajpur 2 Sundargarh				
	TOTAL					**4.81**			

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementa tion-Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.		-	-	-	-	-	-	-	-	-	-	-
2.		-	-	-	-	-	-	-	-	-	-	-
3.		-	-	-	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-	-	-	-	-

(d) Amount spent in Administrative Overheads : ₹ 0.07 cr

(e) Amount spent on Impact Assessment, if applicable : NA

(f) Total amount spent for the Financial Year : ₹ 4.88 cr
(8b+8c+8d+8e)

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	3.5 crore
(ii)	Total amount spent for the Financial Year	4.88 crore
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.38 crore
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

The Company had voluntarily approved the budget for ₹ 5.00 crore for the financial year 2020-21 for the CSR Activities. ₹ 1.38 Crores is over and above ₹ 3.5 crore (i.e 2% of the average net profit for last three financial years as prescribed under the Companies Act, 2013).

9. (a) Details of Unspent CSR amount for the preceding three financial years: NA

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project -Completed /Ongoing
1.		-	-	-	-	-	-	-
2.		-	-	-	-	-	-	-
3.		-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).:

(a)	Date of creation or acquisition of the capital asset(s).:	Not applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset:	Not applicable
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc:	Not applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):	Not applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

    Not applicable

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

For and on behalf of the Board of Directors

	K.N. Patel	**N.K. Jain**
Place: Mumbai	(DIN: 00019414)	(DIN: 00019442)
Date: 01st May, 2021	Chairperson of CSR Committee	Chairman

Annexure C

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, 2021

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 my opinion thereon.

Due to the COVID 19 Pandemic and Lockdown restrictions, 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 by the Company and other records maintained by the Company and also the information provided electronically 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, 2020 to 31st March, 2021 ("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 by the Company and other records maintained by the Company as given in **Annexure I**, for the period **1st April, 2020 to 31st March, 2021** 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**.

I further Report that:

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.

The Company has convened Board and Committee meetings at shorter notice in compliance of Section 173(3) of the Companies Act 2013 as in all such meetings at least one Independent Director was present. The Notice of Board and Committee meetings along with detailed Notes on Agenda items were sent to the Directors 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:

- The Board of Directors of the Company in its Meeting held on 23.05.2020, subject to the approval of the Shareholders of the Company, re-appointed Mr. Nilesh Narwekar (DIN: 06908109) as a Whole Time Director and CEO of the Company for the further period of three years from 9th August, 2020 to 8th August, 2023. The re-appointment of Mr. Nilesh Narwekar (DIN: 06908109) as a Whole Time Director and CEO for the further period of three years as aforesaid was approved by the shareholders on such terms and conditions as set out in the relevant Resolution/ Agreement.
- Shri Jugal Kishore Tandon (DIN: 01282681) ceased to be Independent Director of the Company with effect from 01.04.2021 on completion of his second term on 31.03.2021.
- The Shareholders of the Company at the Annual General Meeting held on 28th September, 2020 approved appointment of Shr. Nirmal Kumar Jain (DIN: 0019442) as Independent Director for a period of three years from 01.04.2020 to 31.03.2023.

For **S. K. Jain & Co.**

Place: Mumbai
Date: 01/05/2021
UDIN: F001473C000224828

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, 2020.
3. Minutes of the Meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, ESOP Committee, Finance Committee, Risk Committee, Project Review Committee along with Attendance register held during the Financial Year under review.
4. Minutes of General Body Meetings held during the Financial Year under review.
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, 2013 and 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 Provisions Act, 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
Kalinga Nagar,
Industrial Complex,
Danagadi, Jajpur
Odisha - 755019

Annexure D

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 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	As per the terms and conditions of the agreement
	Purchase of Slag	5 years Yearly	Purchase of entire Slag generation at various location at JSW Steel Limited on take or pay basis. The price is determined based on the export parity price.		
	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 / recovery of expenses	Based on transactions	Reimbursement on actual basis. Recovery of expenses incurred on behalf of group companies		
	Sale of Cement (Clinker, RMC & PSC)	Ongoing on requirement basis	Quantity sold as per monthly/ quarterly requirement based on prevailing market price.		
	Job work agreement for RMC		Conversion of cement /GGBS/ Aggregates into ready mix concrete (RMC)		
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		
	Supply of power on Job work basis	5 years	Agreement for supply of power on job work basis. Fixed charges based on CERC norms		
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		
JSW Processors and Traders Private Limited	Agreement for conversion of slag into slag sand on job work basis	1 year	Conversion cost covers the variable cost, fixed cost including interest and depreciation plus 15% margin.		

For and on behalf of the Board of Directors

Place: Mumbai
Date: 01st May, 2021

Pankaj Kulkarni
(DIN: 00725144)
Chairperson of Audit Committee

N.K. Jain
(DIN: 00019442)
Chairman

Annexure E

Report on Corporate Governance

For the year 2020-21

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 23rd March 2021.

2.6 Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board.

The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony. The Board acknowledges its intention to establish and follow "best practices" in Board governance in order to fulfil its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among Board members, greater efficiency in the use of the Board's time, and increased effectiveness of the Board as a governing body.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The Directors expressed their satisfaction with the evaluation process.

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. As on date of this Report, the Board consists of ten Directors and comprises of 6 Non-Executive Directors of which 4 are 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 1/3^{rd} 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 1^{st} day of every financial 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 2020-21 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 Meeting	14^{th} AGM held on 28^{th} September 2020	Other Directorships in Indian Companies# (inserted after declaration received by Directors)
Executive Directors	Mr. Parth Jindal	Managing Director	4	-	9
	Mr. Nilesh Narewekar	Whole Time Director & CEO	4	Yes	1
	Mr. Narinder Singh Kahlon	Director Finance & Commercial and CFO	4	Yes	2
	Mr. K. Swaminathan	Director- Sales & Marketing	4		-
Non-Executive Directors	Mr. Kantilal N. Patel	Director	4	Yes	14
	Mr. Pankaj Kulkarni	Director	3	-	1
	Mr. Biswadip Gupta	Director	4	-	11
Independent Director	Mr. Nirmal Kumar Jain	Chairman	4	Yes	5
	Mr. Jugal K. Tandon	Director	4	Yes	1
	Ms. Sutapa Banerjee	Director	4	-	6

Notes:

1. The Board meets four times in the year under review i.e. 23^{rd} May 2020, 6^{th} August 2020, 29^{th} October 2020 and 12^{th} February 2021 and the gap between two meetings did not exceed 120 days.
2. Mr. Pankaj Kulkarni was appointed as an Independent Director for first term of 5 years w.e.f 1^{st} April 2021.
3. Mr. Jugal Kishore Tandon ceased to be an Independent Director of the Company on completion of his second term on 31.03.2021. He was appointed as an Additional Non-Executive Director of the Company on 16^{th} April 2021 subject to the approval of the Members at the ensuing annual general meeting.
4. Mr. K. Swaminathan ceases to be the Whole-time Director but shall continue as Non-Executive Director of the Company, consequent to superannuation on 30^{th} April, 2021.
5. 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 the Board meeting. 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:

Chief Financial Officer, Chief Marketing Officer, Safety 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 four Non-Executive Directors of which three are Independent Directors. The Company Secretary acts as the Secretary of the Committee. The Chairman of Audit Committee attended the Annual General Meeting for answering the shareholders queries. During the year under review, the Committee had met four times on 23^{rd} May 2020, 4^{th} August 2020, 28^{th} October 2020, 9^{th} February 2021 and 12^{th} February 2021. The attendance of each committee member was as under for the period under review:

Name of Members	Category	No. of Meetings attended
Mr. J. K. Tandon – Chairman	Independent Director	5
Mrs. Sutapa Banerjee – Member	Independent Director	5
Mr. N. K. Jain – Member	Independent Director	5
Mr. Pankaj Kulkarni – Member	Non-Executive Director	3

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 five Non-Executive Directors of which three are Independent Directors and its composition meets 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 21st May 2020 and 28th October 2020. The composition of the Committee and the attendance details of the members are given below for the period under review:

Name of Members	Category	No. of Meetings attended
Mr. K. N. Patel – Chairman	Non-Executive Director	2
Mr. N. K. Jain – Member	Independent 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 utilisation 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 Non-Executive Directors of which two are Independent 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 twice on 21st May 2020 and 9th February 2021. The composition of the Committee and the attendance details of the members are given below for the period under review:

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

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 four Non-Executive Directors of which two are Independent Directors. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee had met twice on 21st May 2020 and 25th March 2021. The compositions and attendance details of members of the Committee are given below for the period under review:

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

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 five Non-Executive Directors of which three are Independent Directors. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee had met four times on 21st May 2020, 4th August 2020, 29th October 2020 and 9th February 2021. 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 for the period under review:

Name of Members	Category	No. of Meetings attended
Mr. J.K. Tandon – Chairman	Independent Director	4
Mr. N.K. Jain – Member	Independent Director	4
Mr. Biswadip Gupta – Member	Non-Executive Director	4
Mr. Pankaj Kulkarni – Member	Non-Executive Director	3
Mrs. Sutapa Banerjee	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 crore).

b) To recommend the projects which are having project cost of more than ₹ 500 (Five Hundred crore) 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 four Non-Executive Directors of which one is Independent Director. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee had met twice on 4th August 2020 and 9th February 2021. The composition of the Committee and the attendance details of the members are given below for the period under review:

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	1

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 6th August 2020 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 six times on 2nd June 2020, 11th September 2020, 14th October 2020, 23rd December 2020, 28th January 2021 and 22nd March 2021. 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	6
Mr. Nilesh Narwekar – Member	Executive Director	6
Mr. Narinder Singh Kahlon – Member	Non-Executive Director	6

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 ₹ 2000 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 ₹ 2000 crores including the limit if any utilized under para (e).

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 ₹ 1000 crore within the overall limit of amount not exceeding ₹ 2000 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 twice on 4th August 2020 and 28th October 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. Jugal Kishore Tandon – Chairman	Non-Executive Independent Director	2
Mr. Parth Jindal – Member	Managing Director	2
Mr. Nilesh Narwekar – Member	Executive Director	2
Ms. Sutapa Banerjee – Member	Non-Executive Independent Director	2

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
14th	28th September 2020	11.00 am	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	a) Appointment of Mr. Nilesh Narwekar as Whole Time Director and CEO b) Appointment of Mr. Nirmal Kumar Jain as Independent Director for a term of 3 years with effect from 1st April, 2020 to 31st March, 2023 c) Appointment of Mr. Jugal Kishore Tandon as Independent Director for a term of 1 year with effect from 1st April, 2020 to 31st March, 2021
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

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
	23rd November 2020	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Investment by the Company subscribing to 8% Non-Cumulative Redeemable Preference Shares to be issued by Everbest Consultancy Services Private Limited
	22nd June 2020	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Approval of amended JSWCL Employees Stock Ownership Plan – 2016
	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 2018	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

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:
KFIN Technologies Private Limited,
Selenium, Tower B, Plot No. - 31 & 32,
Financial District, Nanakramguda,
Serilingampally Hyderabad Rangareddi
Telangana 500032.

8.4 Shareholding pattern of the Company as on March 31, 2021

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	Siddeshwari Tradex Private Limited **	4,66,42,340	4.73
4	JSL Limited	50,52,114	0.51
5	Mr. Seshagiri Rao*	100	0.00
6	Mr. K N Patel*	100	0.00
7	Mr. P K Kedia*	100	0.00
8	Mr. Jayant Acharya*	100	0.00
9	Mr. Balwant Ranka*	100	0.00
	TOTAL	**98,63,52,230**	**100.00%**

*Nominees of JSW Investment Private Limited

*Glebe Trading Private Limited and Danta Enterprises Private Limited has merged into Siddeshwari Tradex 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:

i. Vijayanagar:
P. O. Vidyanagar, Toranagallu Village, Sandur Taluk, Bellary DistrictDistrict Bellary – 583 123, Karnataka.

ii. Nandyal
Village Bilakalaguduru, Gadivemula Mandal, Nandyal, Dist. Kurnool, Andhra Pradesh - 518 501.

iii. Dolvi
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.

iv. **Salboni**
Ankur Complex, Vill- Jambedia,, Po- Sayedpur (Viya Salboni), PS - Salboni, Dist:- Paschim Midnapur, Pin 721306, West Bengal.

v. **Jajpur**
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

Date: 01.05.2021
Place: Mumbai

Nirmal Kumar Jain
Chairman
DIN-00019442

Annexure F

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	8	31	20th June, 2016	JSW Steel Limited
2	Nilesh Narwekar	Chief Executive Officer	266.64	B.Tech. (Electr. & Commn), MBA	27	50	17th July, 2017	PWC
3	Narinder Kahlon	Senior Vice President	173.11	Chartered Accountant,	28	54	6th June, 2014	JSW Infrastructure Limited
4	Kuppuswamy Swaminathan	Senior Vice President	227.88	M.Com., ICWA, CA,ACCA	36	60	29th Aug18	Dalmia Bharat Cement Limited
5	G Veera Babu	Senior Vice President	132.13	B.E.	35	59	2nd Aug, 2017	Dangote Cement PLC
6	Hitendra Jariwala	Senior Vice President	124.42	MBA, BSC (Engg)	32	55	22nd March, 2018	Chettinad Cement Ltd
7	Gautam Mukhopadhyay	Vice President	89.86	M.Com, MBA	1.04	54	14th November 2018	ACC Limited

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.

Annexure G

Energy Conservation (FY20-21)

A. VIJAYANAGAR

1. Reduction of specific power consumption in VRM OPC grinding from previous 30.10 Kwh/MT to 28.23 Kwh/MT and resulted in saving of 40.91 lacs.
2. Reduction of specific Oil consumption in VRM OPC grinding from previous 0.087 Lt/MT to 0.081 Lt/Mt and resulted in saving of 0.92 lacs.
3. Installation of VFD to regulate power as per requirement in place of DOL feeder for coal conveying blower at RP Unit-1 and Unit-2 (2no.) Savings of 2.2 lakh units per annum achieved saving 13.46 lacs.

B. NANDYAL

1. Reduction in usage of PPF in kiln which saved INR14.90 lakhs.
2. Consumption of Fly ash generated from TPP in Cement production, saved 10,210 tons of clinker.
3. Use of limestone in OPC production, saved 22,709 tones clinker.
4. Coal consumption reduced after utilizing 23,088 MT of waste (liquid/Solids) as alternate fuel from pharmaceutical companies & biomass, which saved ₹ 519.4 lakhs.
5. Electrical energy consumption reduced from 54.69 kWh/t to 54.44 kWh/t up to clinkerisation saved INR 25.1 lakhs.
6. Electrical energy consumption reduced from 31.06 kWh/t to 30.66 kWh/t in cement grinding saved INR 24.34 lakhs.
7. Electrical energy consumption reduced from 35.10 kWh/t to 34.60 kWh/t in slag grinding saved INR 21.78 lakhs.
8. Electrical energy consumption reduced from 1.78 kWh/t to 1.67 kWh/t in cement packaging saved INR 9.6 lakhs.
9. 1.5 ton of ACs replaced in place of old one and saved energy INR 8.85 Lakhs per annum.
10. Reduction in Power cost INR 0.74 per unit resulted in total cost savings during the year INR 1145.00 lakhs.

C. SALBONI:

1. RP GGBS power consumption got reduced from 33.76 Kwh/MT to 32.35 saving ₹ 125.8 Lakhs.
2. RP OPC power consumption got reduced from 36.79 Kwh/MT to 33.78 saving ₹ 154.4 Lakhs.
3. Fuel Consumption in RP GGBS has reduced from 19.35 kg/MT to 15.83kg/MT saving ₹ 254.98 Lakhs.
4. Fuel Consumption in RP OPC has reduced from 12.52 kg/MT to 9.98 kg/MT saving ₹ 106.24 Lakhs
5. Solar power generation/consumption increased from 56.5 lakhs unit to 58.14 lakh units and mixed power cost reduced from ₹ 8.48/Unit to ₹ 8.30/ Unit by utilizing maximum solar power & avoiding consumption in peak hours.
6. Solar export in 19-20 1.59 lakh units (without deemed units 63886) whereas in FY 20-21 it reduced to 0.38 lakh units (without deemed units 70557).

D. DOLVI:

1. Process Optimization of VRM-1 (Slag Grinding) resulted in reduction of specific power consumption from 36.35 Kwh/MT to 35.04 Kwh/ MT with savings of 8.28 lakhs.
2. Fuel Optimization of Roller Press (Slag Grinding) resulted in reduction of specific Heat consumption from 74.69 KCal/Kg to 71.27 KCal/Kg with savings of 33.36 lakhs.
3. Fuel Optimization of VRM-1 (Slag Grinding) resulted in reduction of specific Heat consumption from 92.99 KCal/Kg to 85.10 KCal/Kg with savings of 6.93 lakhs
4. Fuel Optimization of VRM-1 (Clinker Grinding) resulted in reduction of specific Heat consumption from 23.44 KCal/Kg to 22.95 KCal/Kg with savings of 0.84 lakhs.
5. Fuel Optimization of VRM-2 (OPC Sale) resulted in reduction of specific Heat consumption from 23.47 KCal/Kg to 22.49 KCal/Kg with savings of 1.88 lakhs.
6. Percentage Reduction of MSEB Consumption from 3.46 % to 2.00% of the total consumption - (Reduced Energy Charges by – ₹ 0.15 / Kwh).
7. Percentage Reduction of Over Injection Consumption from 6.50 % to 4.00% of the total consumption - (Reduced Energy Charges by – ₹ 0.12 / Kwh).
8. 800 KVAR, 6.6 KV Capacitor bank installed during April 2020 in Roller Press section to improve power factor from 0.993 to 0.998 – (Units Saving – 17857 KWH, Energy Saving in ₹/ Annum 1.19 Lakhs)

E. JAJPUR

1. Saved 48,530 units i.e. ₹ 30.01 Lakhs by turning off Converter Duty Transformers when not in operation of RP1 and RP2 since April 20 and March 21 respectively.
2. IEX Utilization by Daily bidding with Proper planning of Plant operation – saving of ₹ 58.74 Lakhs.
3. RP GGBS power consumption reduced by 20.0% from 41.1 units/ton to 32.88 kWh/T saving ₹ 148.06 Lakhs
4. RP OPC power consumption reduced by 14.46 % from 40.11 units/ton to 34.31 kWh/T saving ₹ 28.75 Lakhs
5. RP PPC power consumption reduced by 14.30% from 37.34 units/ton to 32 kWh/T saving ₹ 87.10 Lakhs
6. Sp. Heat consumption in RP GGBS reduced by 39.13 % from 115.6 kcal/kg to 70.36 kcal/kg saving ₹ 168.25 Lakhs.
7. Sp. Heat consumption in RP OPC reduced by 35.01 % OPC grinding from 69.8 kcal/kg to 45.36 kcal/kg saving ₹ 24.83 Lakhs.
8. Sp. Heat consumption in RP PPC reduced by 21.14 % PPC grinding from 63.2 kcal/kg to 49.84 kcal/kg saving ₹ 45.19 Lakhs.
9. LDO/PPF consumption reduced by 81.69 % in GGBS grinding from 4.26 ltr/t to 0.78 ltr/t savings of ₹ 359.65 Lakhs
10. LDO/PPF consumption reduced by 80.35 % in PPC grinding from 3.41 ltr/t to 0.67 ltr/t savings of ₹ 256.43 Lakhs
11. LDO/PPF consumption reduced by 73.24 % in OPC grinding from 1.42 kcal/kg to 0.38 kcal/kg of savings of ₹ 29.58 Lakhs

Independent Auditors' Report

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 balance sheet as at March 31, 2021 and the statement of Profit and Loss including the statement of other comprehensive income, cash flow statement and the 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 31, 2021, 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.

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 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
    f. With respect to the adequacy 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 40(a) 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 H P V S & Associates.,
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
Membership Number: 144084
UDIN: 21144084AAAABJ4009

Place: Mumbai
Date: May 01, 2021

Annexure 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.

(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, 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 crore)	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 & Belgaum
		1.43	2009-10	
		0.83	2011-12	
		5.49	2012-13	
		17.34	2013-14	
		9.52	2014-15	
		8.76	2015-16	
		6.62	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 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 H P V S & Associates.,
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
Membership Number: 144084
UDIN: 21144084AAAABJ4009

Place: Mumbai
Date: May 01, 2021

Annexure 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** as of and for the year ended March 31, 2021, 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 31, 2021, based on the internal financial controls with reference to these 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 H P V S & Associates.,
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
Membership Number: 144084
UDIN: 21144084AAAABJ4009

Place: Mumbai
Date: May 01, 2021

Standalone Balance Sheet

As at 31st March, 2021

₹ in crore

		Notes	As at 31st March, 2021	As at 31st March, 2020
I	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	4	2,983.30	2,695.85
	(b) Capital work-in-progress	4.6	238.78	452.68
	(c) Right of use	5	205.10	223.30
	(d) Other intangible assets	6	17.67	10.90
	(e) Investments in subsidiaries	7	386.27	345.95
	(f) Financial assets			
	(i) Investments	8	453.85	320.20
	(ii) Loans	9	43.58	34.11
	(iii) Other financial assets	10	56.15	0.01
	(g) Current tax assets (net)	11	1.10	3.83
	(h) Other non-current assets	12	112.64	98.96
	Total non-current assets		**4,498.44**	**4,185.79**
	Current assets			
	(a) Inventories	13	259.09	402.79
	(b) Financial assets			
	(i) Trade receivables	14	527.05	409.95
	(ii) Cash and cash equivalents	15	60.78	72.00
	(iii) Bank balances other than (ii) above	16	10.31	1.96
	(iv) Loans	9	224.30	241.43
	(v) Derivative Assets	17	-	3.41
	(vi) Other financial assets	10	323.32	192.63
	(c) Other current assets	12	142.21	101.72
	Total current assets		**1,547.06**	**1,425.89**
	Total assets		**6,045.50**	**5,611.68**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	18	986.35	986.35
	(b) Other equity	19	761.88	460.87
	Total equity		**1,748.23**	**1,447.22**
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	1,688.91	2,006.62
	(ii) Lease liabilities	21	185.22	201.53
	(iii) Other financial liabilities	22	19.55	13.19
	(b) Provisions	23	43.02	32.01
	(c) Deferred tax liabilities (net)	24	118.72	45.21
	Total non-current liabilities		**2,055.42**	**2,298.56**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	25	655.55	341.43
	(ii) Trade payables			
	(a) Total outstanding dues of Micro enterprises and small enterprises	26	20.51	6.15
	(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises	26	707.08	777.63
	(iii) Derivative Liability	27	0.23	-
	(iv) Lease liabilties	21	13.68	12.63
	(v) Other financial liabilities	28	724.26	670.50
	(b) Other current liabilities	29	120.54	57.56
	Total current liabilities		**2,241.85**	**1,865.90**
	Total liabilities		**4,297.27**	**4,164.46**
	Total Equity and liabilities		**6,045.50**	**5,611.68**

See accompanying notes to the standalone financial statement

As per our report of even date
For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 21144084AAAABJ4009

Place: Mumbai
Date: 1st May, 2021

For and on behalf of 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 & Com.
DIN: 03578016

Sneha Bindra
Company Secretary

Standalone Statement of Profit and Loss

For the year ended 31st March, 2021

₹ in crore

		Notes	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I	Revenue from operations	30	3,413.01	2,761.20
II	Other income	31	79.85	54.78
III	**Total Income (I + II)**		**3,492.86**	**2,815.98**
IV	**Expenses**			
	Cost of raw material consumed	32	778.76	610.35
	Purchases of stock in trade	33	19.25	8.11
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	34	45.93	(34.21)
	Employee benefits expense	35	191.08	170.09
	Power and fuel		387.77	388.01
	Freight and handling expenses		756.67	636.35
	Other expenses	36	455.68	393.42
			2,635.14	**2,172.12**
	Less: Captive consumption		(5.45)	(2.51)
	Total Expenses (IV)		**2,629.69**	**2,169.61**
V	**Earnings before interest, tax, depreciation and amortisation (EBITDA) (III - IV)**		**863.17**	**646.37**
VI	Finance costs	37	277.57	265.42
VII	Depreciation and amortization expense	38	154.28	134.92
VIII	**Profit before tax (V-VI-VII)**		**431.32**	**246.03**
IX	**Exceptional Items**			
	ESOP Expense	40 e	35.40	-
	Profit / (Loss) before tax		**395.92**	**246.03**
	Tax expenses			
	Deferred tax		138.07	84.28
X	**Total tax expenses**	40 k	**138.07**	**84.28**
XI	**Profit for the year (VIII - IX-X)**		**257.85**	**161.75**
XII	**Other comprehensive income**			
A	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the defined benefit plans		1.00	(0.69)
	(b) Equity instruments through other comprehensive income		11.93	(10.31)
	ii) Income tax relating to items that will not be reclassified to profit or loss		(4.51)	0.24
	Total other comprehensive income/(loss) (XII)		**8.42**	**(10.77)**
	Total other comprehensive income/(loss) (XI + XII)		**266.27**	**150.98**
XIII	**Earnings per equity share (face value of ₹ 10/- each)**			
	- Basic (in ₹)	40 m	2.61	1.64
	- Diluted (in ₹)		2.61	1.64

See accompanying notes to the standalone financial statement

As per our report of even date
For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 21144084AAAABJ4009

Place: Mumbai
Date: 1st May, 2021

For and on behalf of 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 & Com.
DIN: 03578016

Sneha Bindra
Company Secretary

Standalone Cash Flow Statement

For the year ended 31st March, 2021

₹ in crore

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
PROFIT BEFORE TAX	**395.92**	**246.03**
Adjustments for:		
Interest income	(53.88)	(47.30)
Dividend on long-term investments	(0.24)	(0.39)
Unwinding of interest on financial assets carried at amortised cost	(0.79)	(0.75)
Unwinding of interest on financial liabilities carried at amortised cost	3.65	2.87
Mines restoration provision	2.66	2.32
Share based payment expense	9.57	2.42
Exceptional Item	35.40	-
Interest on finance lease	16.36	15.14
Loss on sale of Property, plant and equipment (net)	5.42	0.02
Unrealised foreign exchange (gain) / loss	3.75	3.31
Depreciation and amortisation expenses	154.28	134.92
Non cash expense	(6.74)	(4.09)
Interest expense on borrowings	267.49	256.92
Operating profit before working capital changes	**832.85**	**611.42**
Movements in Working Capital:		
(Increase) in Trade receivables	(108.89)	(17.86)
(Increase) in Inventories	143.70	(148.41)
(Increase) Loans & advances*	17.04	101.55
(Increase) / Decrease financial and other assets	(126.42)	(22.76)
Increase in Trade payables	(47.85)	108.93
Increase Financial and Other liabilities*	106.96	250.54
Cash flow used in Operations	**817.39**	**883.41**
Income taxes paid (net)	(57.02)	(40.97)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**760.37**	**842.44**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment including capital advances	(284.39)	(533.83)
Proceeds from sale of property, plant and equipment	24.51	0.05
Interest received	17.93	52.98
Investment in subsidiary	(225.68)	(450.52)
Dividend on long-term investments	0.24	0.39
Gain/(loss) on Purchase/Sale of current investments	-	12.89
Loan given to related parties repaid	65.35	4.50
Loan given to related parties	(74.72)	251.82
NET CASH USED IN INVESTING ACTIVITIES	**(476.76)**	**(661.72)**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from non-current borrowings	-	(293.30)
Repayment of non-current borrowings	(280.72)	241.31
Proceeds from current borrowings	314.13	189.75
Payment for lease liabilities	(34.53)	(31.39)
Interest paid on borrowings	(285.36)	(236.38)
NET CASH USED FROM FINANCING ACTIVITIES	**(286.48)**	**(130.01)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B +C)	**(2.87)**	**50.71**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**73.96**	**23.25**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR [Refer Note 15 and 16]	**71.09**	**73.96**

* Includes current/ non-current

Standalone Cash Flow Statement

For the year ended 31st March, 2021

Reconciliation forming part of cash flow statement

Particulars	1st April, 2020	Cash Flow (net)	New Leases	Others	31st March, 2021
Borrowings (non-current) (including current maturities of long-term borrowings included in other financial liabilities	2,340.05	(280.72)	-	(0.02)	2,059.31
Borrowings Current	341.43	314.13	-	(0.01)	655.55
Finance Lease Obligation (including current maturities)	214.16	(34.53)	16.39	2.88	198.90

Particulars	1st April, 2019	Cash Flow (net)	New Leases	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
Finance Lease Obligation (including current maturities)	-	(31.39)	238.00	7.55	214.16

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 report of even date
For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 21144084AAAABJ4009

For and on behalf of 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 & Com.
DIN: 03578016

Place: Mumbai
Date: 1st May, 2021

Sneha Bindra
Company Secretary

Standalone Statement of Changes in Equity (Socie)

For the year ended 31st March, 2021

Equity Share Capital (A)

₹ in crore

Particular	Total
Balance at 1st April, 2019	**986.35**
Changes in equity share capital during the year	-
Balance at 31st March, 2020	**986.35**
Changes in equity share capital during the year	-
Balance at 31st March, 2021	**986.35**

Other equity (B)

₹ in crore

Particular	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, 2019	299.32	3.72	4.45	307.49
Profit for the year	161.75	-	-	161.75
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)	-
Balance at 31st March, 2020	**463.55**	**6.11**	**(8.79)**	**460.87**
Balance at 31st March, 2020	**463.55**	**6.11**	**(8.79)**	**460.87**
Profit for the year	257.84	-	-	257.84
Share based payments	-	34.76	-	34.76
Other comprehensive income for the year (net of tax)	0.65	-	7.76	8.41
Transfer from OCI to Retained Earning	0.68		(0.68)	0.00
Total	**259.17**	**34.76**	**7.08**	**301.01**
Balance at 31st March, 2021	**722.72**	**40.87**	**(1.71)**	**761.88**

See accompanying notes to the standalone financial statement

As per our report of even date
For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 21144084AAAABJ4009

Place: Mumbai
Date: 1st May, 2021

For and on behalf of 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 & Com.
DIN: 03578016

Sneha Bindra
Company Secretary

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

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 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 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. Significant Accounting policies

I. Statement of compliance

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 1st May 2021.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance sheet as at 31st March, 2021, 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 crore 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

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

- 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.

Contract Balances

i) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company 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

ii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company 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 Company performs under the contract including Advance received from Customer

iii) 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 Company ultimately expects it will have to return to the customer including volume rebates and discounts. The Company 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 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

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

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)(B)(e));

c) exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

statements upto March 31, 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/up-to 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.

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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 34e.

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.

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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 40 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 up-to 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.

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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
3	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 and amortization 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 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 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.

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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.

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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

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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-

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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 recognized 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'.

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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 and financials liabilities
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

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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.

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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. Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the management.

XX. 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.

XXI. Financial Guarantee contracts:

The Company provides certain guarantees in respect of the indebtedness of its subsidiary, claims under the contract or other arrangements in the ordinary course of business. The Company evaluates such arrangement and elects to account it as a financial guarantee contract. Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of the amount of the obligation under the contract and the amount initially recognised less cumulative amortization over the period of guarantee.

3. 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.

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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.

x) Expected credit loss

The policy for expected credit loss allowances for financial assets is based on the evaluation of collectability and the management's judgement considering external and internal sources of information. A considerable amount of judgement is required in assessing the ultimate realization of the amount receivable having regard to, the past collection history of each party, ongoing dealings with these parties, and assessment of their ability to pay the debt on designated dates.

B) Recent Accounting Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

Notes

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- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a Company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes

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Note 4. Property, plant and equipment

₹ in crore

Description of Assets	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Computers	Office Equipment	Vehicle	Switching station	Residential complex	Leasehold improvement	External road	Railway siding	Total Property, plant and equipment
I. Cost / Deemed cost													
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
Additions	0.94	39.52	67.58	1.68	4.38	2.05	1.10	-	1.60	1.19	0.07	-	120.11
Deductions	-	-	-	-	-	-	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**	**19.00**	**3,043.24**
Additions	0.66	105.64	310.89	1.25	0.66	1.23	0.25	36.33	0.04	0.27	-	-	457.22
Deductions	-	25.05	10.64	0.18	-	0.14	0.10	-	-	-	-	-	36.11
Balance as at 31st March, 2021	**36.47**	**705.69**	**2,520.10**	**6.72**	**7.76**	**9.05**	**3.23**	**52.69**	**14.89**	**4.42**	**84.33**	**19.00**	**3,464.35**
II. Accumulated depreciation													
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	1.41	118.26
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**	**3.62**	**347.39**
Depreciation expense for the year	-	12.66	108.25	0.83	1.76	1.41	0.41	2.11	1.49	1.05	3.37	1.41	134.77
Eliminated on disposal of assets	-	0.56	0.46	0.01	-	0.03	0.05	-	-	-	-	-	1.11
Balance as at 31st March, 2021	**-**	**42.41**	**398.66**	**2.28**	**4.51**	**3.79**	**1.31**	**4.81**	**3.09**	**1.69**	**13.46**	**5.03**	**481.05**
Carrying value													
Balance as at 31st March, 2021	**36.47**	**663.28**	**2,121.44**	**4.44**	**3.25**	**5.27**	**1.92**	**47.88**	**11.80**	**2.72**	**70.87**	**13.97**	**2,983.30**
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	15.38	2,695.85
Useful life of the assets (years in range)	NA	65	25-40	5-10	3-6	5-10	8-10	35	10	5	25	15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	

* Refer Note 40 (j) for classwise breakup of Right of use assets

4.1 Asset include Gross Block of ₹ 612.19 crore (previous year ₹ 615.21 crore) 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 crore.

4.2 Asset include Gross Block of ₹ 413.03 crore (previous year ₹ 402.11 crore) 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 crore.

4.3 Certain property, plant and equipment are pledged against borrowing, the detail relating to which have been described in note 20

4.4 Property, plant and equipment include assets with net block of ₹ 147.24 crore (previous year ₹ 120.04 crore) for which ownership is not in the name of the Company.

4.5 Capital work in progress includes finance cost ₹ NIL (As at 31st March, 2020: ₹ 35.90 crore).

4.6 Depreciation of ₹ NIL (As at 31st March, 2020: ₹ 0.16 crore) pertaining to project is transferred to CWIP.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 5. Right of Use assets

₹ in crore

Description of Assets	Land	Property	Plant and machinery	Total Right of use Assets
I. Cost / Deemed cost				
Balance as at 31 March, 2019				
Reclassification of land	7.43	-	-	7.43
Additions	16.25	30.50	183.82	230.57
Deductions				
Balance as at 31st March, 2020	**23.68**	**30.50**	**183.82**	**238.00**
Additions	0.76	10.14		10.90
Deductions	0.69	2.59	9.57	12.85
Balance as at 31st March, 2021	**23.75**	**38.05**	**174.25**	**236.05**
II. Accumulated depreciation				
Balance as at 31st March, 2019				
Depreciation expense for the year	2.46	7.34	4.90	14.70
Eliminated on disposal of assets	-	-	-	-
Balance as at 31st March, 2020	**2.46**	**7.34**	**4.90**	**14.70**
Depreciation expense for the year	2.20	7.75	7.22	17.17
Eliminated on disposal of assets	-	0.92	-	0.92
Balance as at 31st March, 2021	**4.66**	**14.17**	**12.12**	**30.95**
Carrying value				
Balance as at 31st March, 2021	**19.09**	**23.88**	**162.13**	**205.10**
Balance as at 31st March, 2020	21.22	23.16	178.92	223.30

* Refer note 40 (j)

Note 6. Other Intangible assets

₹ in crore

Description of Assets	Software	Mining Rights/ assets	Total Intangible Assets
I. Cost / Deemed cost			
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**
Additions	0.29	8.82	9.11
Deductions	-	-	-
Balance as at 31st March, 2021	**6.88**	**17.75**	**24.63**
II. Accumulated depreciation			
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**
Depreciation expense for the year	1.88	0.46	2.34
Eliminated on disposal of assets			-
Balance as at 31st March, 2021	**5.79**	**1.17**	**6.96**
Carrying value			
Balance as at 31st March, 2021	**1.09**	**16.58**	**17.67**
Balance as at 31st March, 2020	2.68	8.22	10.90
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

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Note 7. Investments in Subsidiaries

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
(A) Investment in Equity Instruments		
Quoted - Subsidiary (Cost or deemed cost)		
Shiva Cement Limited	179.12	165.82
11,56,66,750 (31st March, 2020: 10,61,66,750) of ₹ 2 each fully paid-up		
Unquoted -Subsidiary (Cost or deemed cost)		
JSW Cement FZE	206.13	179.11
6,63,199 (31st March, 2020: 5,93,440) of AED 150 each fully paid-up		
Utkarsh Transport Limited	1.01	1.01
1,010,000 (31st March, 2020: 1,010,000) of ₹ 10 each fully paid-up		
JSW Green Cement	0.01	0.01
10,000 (31st March, 2020: 10,000) of ₹ 10 each fully paid-up		
Total	**386.27**	**345.95**
Quoted		
Aggregate book value	179.12	165.82
Aggregate market value	270.08	76.76
Unquoted		
Aggregate carrying value	307.15	180.13
Investment at cost	**386.27**	**345.95**

Note 8. Investments (non current)

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
(A) Investment in Equity Instruments		
Quoted- others (At fair value through OCI)		
JSW Energy Limited	23.13	11.20
26,29,610 (31st March, 2020: 26,29,610) of ₹ 10 each fully paid-up		
(B) Investment in Preference Shares (At fair value through Profit and loss)		
Subsidiary		
(i) Unquoted 1% Optionally convertible, cumulative, redeemable preference share		
Shiva Cement Limited	100.00	
10,000,000 (31st March, 2020: Nil) of ₹ 100 each		
Others		
(i) Unquoted 8% non convertible, non cumulative redeemable preference shares		
Everbest Consultancy service Pvt Ltd.	35.22	-
100,000,000 (31st March, 2020: Nil) of ₹ 10 each		
(C) Investment in Debenture (at Amortised cost)		
Unquoted Zero Coupon Optionally Convertible Debentures redeemable at premium		
JSW Sports Limited	295.50	309.00
29,550 debentures (31st March, 2020: 30,900) of ₹ 100,000 each		
(D) Investment in government securities (Unquoted (others) (at amortised cost))		
National Saving Certificate - Pledged with Commercial Tax Department ₹ 3,000 (31st March, 2020: ₹ 3,000)	-	-
Total	**453.85**	**320.20**
Quoted		
Aggregate book value	23.13	11.20
Aggregate market value	23.13	11.20
Unquoted		
Aggregate carrying value	430.72	309.00
Investment at amortised cost	295.50	309.00
Investment at fair value through Profit and loss	135.22	-
Investment at fair value through other comprehensive income	23.13	11.20

Notes

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Note 9. Loans

₹ in crore

Particulars	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March 2021	As at 31st March, 2020
Unsecured considered good				
Security deposits	-	-	2.52	2.32
Loans to:				
- Related parties *	1.83	1.83	20.00	20.60
- Other body corporates	-	-	70.09	88.25
- Subsidiary	38.75	30.28	131.26	129.76
- Others	3.00	2.00	-	-
Advance to employees	-	-	0.43	0.50
Total	**43.58**	**34.11**	**224.30**	**241.43**

* For business purpose: refer note 40 (i)

Note:				
Considered good (Unsecured)	43.58	34.11	224.30	241.43
Loans which have significant increase in Credit Risk	-	-	-	-
Loans which are credit impaired	-	-	-	-

Note 10. Other financial assets (unsecured, considered good)

₹ in crore

Particulars	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March 2021	As at 31st March, 2020
Interest receivable on				
Loan to related party (Refer note 40 (i))	-	-	53.68	43.70
Investment classified as amortised cost	-	-	25.97	-
Interest receivable others	-	-	5.47	5.47
Rent receivable from related party (Refer note 40 (i))	-	-	8.42	8.42
Insurance claims receivable	-	-	9.31	-
Deferred Financial asset - Investment in Preference Share	56.14	-	6.48	-
Other receivable			14.98	5.14
Government grant income receivable	-	-	199.01	129.90
Deposit with remaining maturity of more than 12 months	0.01	0.01	-	-
Total	**56.15**	**0.01**	**323.32**	**192.63**

Note 11. Current tax assets (net)

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance tax and Tax Deducted at Source (net)	1.10	3.83
Total	**1.10**	**3.83**

Note 12. Other assets

₹ in crore

Particulars	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March 2021	As at 31st March, 2020
Capital advances (Unsecured, considered good)	50.67	39.06	-	-
Other assets (Unsecured, considered good)				
Advance to suppliers	-	-	68.24	37.08
Gratuity	-	-	0.11	-
Indirect tax balances/recoverable/credits	-	-	49.12	51.39
Prepaid expenses	15.22	14.34	15.23	5.99
Security deposits	46.75	45.56	-	-
Other receivables	-	-	9.51	7.26
Total	**112.64**	**98.96**	**142.21**	**101.72**

Notes

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Note 13. Inventories

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw materials (includes stock in transit ₹ 4.37 crore ;previous year : 9.75 crore) (at cost)	48.06	177.31
Semi finished goods (at cost)	7.19	29.11
Finished goods (at lower of cost and net realisable value)	20.31	44.32
Traded Goods	0.32	-
Stores and spares (includes stock in transit ₹ 0.67 crore; previous year : 1.07) (at cost)	129.62	118.70
Fuel (at cost)	53.59	33.35
Total	**259.09**	**402.79**

Inventories have been pledged as security against certain bank borrowings of the Company as at 31st March, 2021 (refer note 25)

Cost of inventory recognised as an expense

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cost of material consumed	778.76	610.35
Changes in inventories of finished goods, semi finished goods and stock in trade	45.93	(34.21)
Stores and spares	39.17	29.70
Fuel	170.89	169.79
Total	**1,034.75**	**775.63**

Note 14. Trade Receivables

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivable considered good, Secured	80.94	94.37
Trade Receivable considered good, Unsecured	446.11	315.58
Trade receivable which have significant increase in credit risk	0.56	0.78
Trade Receivables-credit impaired	0.34	0.34
	527.95	**411.07**
Less: Allowance for expected credit loss	(0.90)	(1.12)
Total	**527.05**	**409.95**

Trade receivable are secured by the funds received from Del credere agent (refer note 28)

Trade receivables have been pledged as security against certain bank borrowings of the Company as at 31 March, 2021 (refer note 25)

Debts amounting to ₹ 11.13 crore are due by private companies in which Director is a Director

The credit period on sales of goods ranges from 7 to 90 days with or without security.

Before accepting any new customer, the Company has internal standard operating practice of assessing the credit worthiness based on experience in cement business, securities offered and credit risk covered by sales promoters. The Company also has the practice of periodically assessing the performance of customer and rerating the customer.

Credit risk management regarding trade receivables has been described in note 39.

Trade receivables from related parties details has been described in note 40i.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 15. Cash and cash equivalents

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with banks in current accounts	60.73	71.90
Cash on hand	0.05	0.10
Total	**60.78**	**72.00**

Note 16. Bank balances other than cash and cash equivalents

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lien marked balances		
In term deposits*	2.02	-
Term deposit with original maturity of more than 3 months but less than 12 months at inception	8.29	1.96
Total	**10.31**	**1.96**

* Lien for bank guarantee margin

Note 17. Derivative assets

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Forward contract	-	3.41
Total	**-**	**3.41**

Note 18. Equity Share Capital

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised Capital		
1,250,000,000 (31st March, 2020: 1,250,000,000) Equity shares of ₹ 10 each	**1,250.00**	**1,250.00**
25,000,000 (31st March, 2020: 25,000,000) Preference shares of ₹ 100 each	**250.00**	**250.00**
Issued, Subscribed & Fully Paid Up Capital		
986,352,230 (31st March, 2020: 986,352,230) Equity shares of ₹ 10 each fully paid up	986.35	986.35
Total	**986.35**	**986.35**

Note 18.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year

₹ in crore

Particulars	As at 31st March, 2021 No. of Shares	As at 31st March, 2020 No. of Shares
Equity shares at the beginning of the year	986,352,230	986,352,230
Add: Fresh issue of shares during the year	-	-
Equity shares at the end of the year	**986,352,230**	**986,352,230**

18.2 Rights, preferences and restrictions attached to equity shares

Equity Shares: The Company has a single class of 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.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 18.3 Details of aggregate shareholding by holding Company

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Adarsh Advisory Services Private Limited - Holding Company		
893,067,550 (31st March, 2020 893,067,550) Equity Shares of ₹ 10 each	893.07	893.07

18.4 Shareholders holding more than 5% of aggregate equity share in the Company

₹ in crore

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	% of holding	Number of shares	% of holding
Equity shareholding				
Adarsh Advisory Services Private Limited - Holding Company	893,067,550	90.54%	893,067,550	90.54%

18.5 Shares alloted by Company for consideration other than cash : Nil

Note 19. Other equity

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Retained earning	722.72	463.55
Share option outstanding reserve	40.87	6.11
Other comprehensive income:	-	-
Equity instruments through other comprehensive income	(1.71)	(8.79)
Total	**761.88**	**460.87**

Retained earning

Retained earnings comprise balances of accumulated (undistributed) profit and loss at each year end and balances of remeasurement of net defined benefit plans.

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.

20. Non Current Borrowings (at amortised cost)

₹ in crore

Particulars	Non-Current		Current Maturities	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March 2021	As at 31st March, 2020
Term Loans				
Secured				
From banks	1,693.55	2,013.39	365.77	326.66
Less: Unamortised upfront fees on borrowings	(4.64)	(6.77)	(2.49)	(3.02)
Total	**1,688.91**	**2,006.62**	**363.28**	**323.64**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Rupee Term Loan from banks (Secured)

As at 31st March, 2021		As at 31st March, 2020		Terms of Repayment*	Security
Non-current	Current	Non-current	Current		
472.13	48.01	510.79	45.75	Two Quarterly Installments of 11.44 Cr till 30.09.2021 and one installment of 11.78 Cr on 31.12.2021; Three Quarterly Installments of 13.34 Cr till 30.09.2022 and one installment of 16.44 Cr on 31.12.2022; Three Quarterly Installments of 30.50 Cr till 30.09.2023 and one installment of 31.88 Cr on 31.12.2023; Three Quarterly Installments of 38.12 Cr till 30.09.2024 and one installment of 38.47 Cr on 31.12.2024; Three Quarterly Installments of 40.03 Cr till 30.09.2025 and one installment of 32.73 Cr on 31.12.2025.	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
72.45	108.10	162.04	81.07	Six Quarterly Installments of 27.02 Cr till 14.07.2022 and one installment of 18.28 Cr on 14.10.2022	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
237.72	31.49	289.00	-	Three Quarterly Installments of 7.67 Cr till 31.12.2021 and one installment of 8.49 Cr on 31.03.2022; Three Quarterly Installments of 8.80 Cr till 31.12.2022 and one installment of 9.63 Cr on 31.03.2023; Three Quarterly Installments of 10.26 Cr till 31.12.2023 and one installment of 11.08 Cr on 31.03.2024; Four Quarterly Installments of 11.71 Cr till 31.03.2025; Seven Quarterly Installments of 12.33 Cr till 31.12.2026; Five Quarterly Installments of 5.33 Cr till 31.03.2028.	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
621.78	86.79	667.18	82.94	19.8 Cr on 30.06.2021; 21.3 Cr on 30.09.2021; 21.3 Cr on 31.12.2021; 24.4 Cr on 31.03.2022; 24.7 Cr on 30.06.2022; 24.8 Cr on 30.09.2022; 24.8 Cr on 31.12.2022; 27.9 Cr on 31.03.2023; 28.5 Cr on 30.06.2023; 28.8 Cr on 30.09.2023; 28.8 Cr on 31.12.2023; 31.9 Cr on 31.03.2024; 32.4 Cr on 30.06.2024; 32.7 Cr on 30.09.2024; 32.7 Cr on 31.12.2024; 32.7 Cr on 31.03.2025; 33.2 Cr on 30.06.2025; 33.5 Cr on 30.09.2025; 33.5 Cr on 31.12.2025; 33.5 Cr on 31.03.2026; 33.5 Cr on 30.06.2026; 33.5 Cr on 30.09.2026; 33.4 Cr on 31.12.2026; 6.9 Cr on 31.03.2027; 6.9 Cr on 30.06.2027; 6.9 Cr on 30.09.2027; 6.9 Cr on 31.12.2027; 6.9 Cr on 31.03.2028; 2.5 Cr on 30.06.2028.	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

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

As at 31st March, 2021		As at 31st March, 2020		Terms of Repayment*	Security
Non-current	Current	Non-current	Current		
95.88	47.94	143.83	47.95	Twelve Quarterly repayments of 11.985 Cr till 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
133.59	23.44	160.55	19.95	5.23 Cr on 30.06.2021; 5.88 Cr on 30.09.2021; Three Quarterly Installments of 6.18 Cr till 31.06.2023 and one installment of 6.83 Cr on 30.09.2023; Three Quarterly Installments of 7.13 Cr till 31.06.2023 and one installment of 7.78 Cr on 30.09.2023; Eleven Quarterly Installments of 8.08 Cr till 30.06.2026 and one installment of 2.55 Cr on 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
-	-	-	29.00	Repaid on 22.03.2021	
60.00	20.00	80.00	20.00	Sixteen Quarterly Installments of 5.00 Cr till 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
1,693.55	365.77	2,013.39	326.66		

* Borrowing have been drawn at rate of interest at 8.10% - 8.93%

Note 21. Lease Liabilities

₹ in crore

Particulars	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Lease liabiity	185.22	201.53	13.68	12.63
Total	**185.22**	**201.53**	**13.68**	**12.63**

Lease liabilities

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease liability	214.16	-
Additional leases	16.39	238.00
Interest accrued	16.36	15.14
Lease principal payments	(34.53)	(31.39)
Lease interest payments	(16.36)	(15.14)
Reversal *	2.88	7.55
Closing liability	**198.90**	**214.16**
Current	13.68	12.63
Non Current	185.22	201.53

*The Company had entered into a Job work agreement with JSW Energy Limited with Effect from December 3, 2020. In continuance with Power purchase agreement, Accordingly, the payment terms have been changed.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2021 on an undiscounted basis:

₹ in crore

Particulars	As at 31st March, 2021
Less than 1 years	32.21
1-5 years	115.47
more than 5 years	267.51
Total	**415.20**

Refer note 40 (j)

Note 22. Other non-current financial liabilities

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Payable for capital projects	5.80	8.37
Allownce for Guarantee Liability	8.41	4.82
Share based payment payable	5.34	-
Total	**19.55**	**13.19**

Note 23. Non- current provision

₹ in crore

	Non Current	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Gratuity (Refer note 40 g)	-	1.29
Leave encashment (Refer note 40 g)	9.74	7.55
Other provisions		
Mines restoration expenditure	33.28	23.17
Total	**43.02**	**32.01**

Note 23.1 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:

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Mines Restoration expenditure (to be settled at Mines closure)		
Opening Balance	23.17	22.21
Add: Unwinding of discount on mine restoration expenditure	2.66	2.32
Add: Additional asset created on account of revision of estimates	8.82	-
Add: Reversal of provision	(1.37)	(1.36)
Total	**33.28**	**23.17**

Site restoration expenditure is incurred on an ongoing basis until the closure of the site. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

Note 24. Deferred tax (liabilities)(Net)

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax (liabilities)(Net) (Refer note 40 k)	352.31	209.73
MAT credit entitlement	(233.59)	(164.52)
Total	**118.72**	**45.21**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 25. Current Borrowings (at amortised cost)

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured loans		
Loan repayable on demand		
From bank -working capital loan	280.55	171.43
Unsecured loans		
Loan repayable on demand		
From bank -working capital loan	245.00	170.00
From Related parties	80.00	-
Commercial Papers	50.00	-
Total	**655.55**	**341.43**

Note 25.1 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

Secured 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	8.55% to 8.60%
Short Term Loan	7.65% to 9.25%
Commercial Paper - NBFC	7.90%

Note 26. Trade Payables

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of Micro enterprise and Small enterprise	20.51	6.15
Total outstanding dues of creditors other than Micro enterprises and small enterprises		
Acceptances	183.72	208.34
Other than acceptances	523.36	569.29
Total	**727.59**	**783.78**

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 40 (p) for disclosure under Micro, Small and Medium enterprises Development Act.

Refer note 40 (i) with respect to amount payable to Related Parties.

Note 27. Derivative liability

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Forward contract (refer note 40 f)	0.23	-
Total	**0.23**	**-**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 28. Other current financial liabilities

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current maturities of long-term borrowings (refer note 20)	363.28	323.64
Interest accrued but not due on borrowings	0.22	20.72
Payable for capital projects		
- Acceptances	0.32	0.62
- Other than acceptances	84.50	100.09
Security Deposit received	189.79	130.33
Allowance for financial guarantee	0.34	0.73
Lease liability	-	-
Share based payments payable	4.87	-
Del Credre Finance payable	80.94	94.37
Total	**724.26**	**670.50**

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.

Movements In Allowances For Financial Guarantees

₹ in crore

Particulars	Amount
As at 31st March, 2020	5.55
Additional created during the year	3.22
As at 31st March, 2021	8.77

Note 29. Other current liabilities

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current dues of long-term employee benefits	1.25	1.27
Advances from customers	10.97	12.26
Statutory liabilities	98.58	42.83
Provision of Income Tax (Net of TDS and Advance Tax)	9.31	-
Other Payables	0.43	1.20
Total	**120.54**	**57.56**

Note 30. Revenue From Operations

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Sale of Products		
Finished goods	3,283.35	2,690.07
Traded	40.16	9.07
Other operating revenue		
Scrap sale	18.96	17.15
Government grant income (refer note 2 (vii))	70.54	44.91
Revenue from operations	**3,413.01**	**2,761.20**

Refer note 40 (n) for details of contract liability

Incentive under west bengal incentive scheme

The Company unit at Salboni in West Bengal is eligible for incentives under the State Industrial Policy in the form of SGST refunds. The Company recognises income based on eligibility to the extent of 90% of SGST paid by it in cash from government of West Bengal.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Reconciliation of Revenue from sale of products with the contracted price

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Contracted Price	3,734.65	2,969.94
Less: Trade Discount, Volume, Rebate etc.	(411.14)	(270.80)
Sale of Products	**3,323.51**	**2,699.14**

Note 31. Other Income

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest income from loan to Related party (refer note 40 (i))	17.88	43.05
Interest income from Others	8.38	5.00
Guarantee commission	1.14	0.03
Dividend income from non current investments designated at FVTOCI	0.24	0.40
Interest on Debentures	28.41	-
Write Back of excess provision	7.54	4.66
Job Work Income	3.76	-
Insurance claim income	12.11	0.88
Miscellaneous income	0.39	0.77
Total	**79.85**	**54.78**

Note 32. Cost of raw material consumed

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Inventory at the beginning of the year	177.31	113.82
Add : Purchases	649.51	673.84
Less: Inventory at the end of the year	(48.06)	(177.31)
Total	**778.76**	**610.35**

Note 33. Purchases Of Stock in trade

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Granulated Blast Furnace Slag	8.55	-
Cement	10.70	8.11
Total	**19.25**	**8.11**

Note 34. Changes in inventories of finished goods and work-in- progress

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Inventories at the beginning of the year		
Finished goods	44.32	25.05
Semi finished goods	29.11	14.17
	73.43	**39.22**
Inventories at the end of the year		
Finished goods	20.31	44.32
Semi finished goods	7.19	29.11
Total Inventories at the end of the year	**27.50**	**73.43**
Total	**45.93**	**(34.21)**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 35. Employee benefits expense

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries and wages	169.96	156.90
Employee stock option expense	9.57	2.42
Contributions to provident fund and other funds (Refer note 40 g)	6.27	5.84
Gratuity expense (Refer note 40 g)	1.90	1.54
Staff welfare expenses	3.38	3.39
Total	**191.08**	**170.09**

Note 36. Other expenses

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Consumption of stores and spares	39.17	29.70
Packing Cost	104.82	74.27
Repairs and maintenance expenses:		
-Repairs to buildings	1.98	1.35
-Repairs to machinery	40.35	42.68
-Job Work charges	10.61	-
-Others	9.29	5.67
Rent (refer 40 note (j))	1.43	2.07
Rates and taxes	2.40	2.28
Insurance	8.47	3.77
Legal & professional	36.36	13.82
Advertisement & publicity	51.44	48.05
Commission on sales	50.72	45.28
Rebates & discounts	8.55	30.41
Selling & distribution expenses	5.78	5.53
Branding fees	5.02	6.90
Auditors remuneration (Refer note 40 l)	0.35	0.31
Loss on sale of Property, Plant and Equipment (net)	5.42	0.02
Postage & telephone	1.03	1.15
Printing & stationery	0.59	0.51
Travelling expenses	16.79	28.95
Corporate social responsibility expense (Refer note 40 O)	4.88	3.82
Software and IT related expenses	3.38	3.22
Net loss on foreign currency translation and transactions	0.77	6.04
Donation	1.77	5.41
Miscellaneous expenses	44.31	32.21
Total	**455.68**	**393.42**

Note 37. Finance Costs

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest expenses	250.05	242.99
Interest on finance lease	16.36	15.14
Unwinding of interest on financial liabilities carried at amortised cost	3.65	2.87
Unwinding of discount on mines restoration expenditure	2.66	2.32
Deferred Financial asset expenses	2.16	-
Other borrowing cost	2.69	2.10
Total	**277.57**	**265.42**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 38. Depreciation And Amortization Expense

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Depreciation on Property, plant and equipment	142.50	125.42
Depreciation of Asset constructed on property not owned by Company	9.44	7.39
Amortization of Intangible assets	2.34	2.11
Total	**154.28**	**134.92**

Note 39. 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.

₹ in crore

Particulars	31st March, 2021	31st March, 2020
Long term borrowings	1,688.91	2,006.62
Current maturities of long term debt	363.28	323.64
Short term borrowings	655.55	341.43
Less: Cash and cash equivalent	(60.78)	(72.00)
Less: Bank balances other than cash and cash equivalents	(10.31)	(1.96)
Less: Current investment	-	-
Net Debt	2,636.65	2,597.73
Total Equity	1,748.23	1,447.22
Gearing ratio	1.51	1.79

(i) Equity includes all capital and reserves of the Company that are managed as capital (Refer note 18 and 19)

(ii) Debt is defined as long-term and short-term borrowings. (refer note 20 and 25)

B. Categories of financial instruments

₹ in crore

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	60.78	60.78	72.00	72.00
Bank balances other than cash and cash equivalents	10.31	10.31	1.96	1.96
Trade receivables	527.05	527.05	409.95	409.95
Loans	267.88	267.88	275.54	275.54
Non current investments	295.50	295.50	309.00	309.00
Other financial assets	379.47	379.47	196.05	196.05
Total financial assets at amortised cost (A)	**1,540.99**	**1,540.99**	**1,264.50**	**1,264.50**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	As at 31st March, 2021		Current	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Measured at fair value through other comprehensive income				
Non current investments	23.13	23.13	11.20	11.20
Total financial assets at fair value through other comprehensive income (B)	**23.13**	**23.13**	**11.20**	**11.20**
Measured at fair value through other Profit and loss account				
Non current investments	135.22	135.22	-	-
Total financial assets at fair value through profit and loss account (C)	**135.22**	**135.22**		
Total Financial assets (A+B+C)	**1,699.34**	**1,699.34**	**1,275.70**	**1,275.70**
Financial liabilities				
Measured at amortised cost				
Long term borrowings #	2,052.19	2,052.19	2,330.26	2,330.26
Short term borrowings	655.55	655.55	341.43	341.43
Trade payable	727.59	727.59	783.78	783.78
Other financial liabilities	579.66	579.66	574.21	574.21
Total financial liabilities at amortised cost	**4,014.99**	**4,014.99**	**4,029.68**	**4,029.68**

including current maturities of long term debt

Fair value hierarchy of financial instruments

₹ in crore

Particulars	31st March, 2021	31st March, 2020	Fair value hierarchy	Valuation technique(s) and key input(s)
Investment in Equity Shares measured at FVTOCI	23.13	11.20	Level 1	Quoted Bid Prices in an active market.
Investment in Preference shares measured at FVTPL	35.22	-	Level 3	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Derivative (Assets)/ Liabilities	0.23	(3.41)	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.

Sensitivity analysis of Level 3:

₹ in crore

Particulars	Valuation Technique	Significant unobservable inputs	Change	Sensitivity of the input of fair value
Investment in Preference shares	DCF Method	Discounting Rate of 11%	0.5%	0.5% Increase (decrease) in the discount would decrease (increase) the fair value of ₹ 1.6 crore

Reconciliation of Level 3 Fair Value Measurement

₹ in crore

Particulars	Amount (₹)
Balance as on 31st March, 2020	-
Addition made during the year	100.00
Allowance for loss (Deferred)	64.78
Balance as on 31st March, 2021	35.22

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

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Details of Financial assets/ liabilities measured at amortized cost but fair value disclosed in category wise

₹ in crore

Particulars	31st March, 2021	31st March, 2020	Fair value hierarchy	Valuation technique(s) and key input(s)
Investment in Optionally Convertible Debentures				
Carrying value	295.50	309.00		Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	295.50	309.00	Level 2	
Loans				
Carrying value	264.93	272.72		Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	264.93	272.72	Level 2	
Long term borrowings				
Carrying value	2,052.19	2,330.26		Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	2,059.32	2,340.05	Level 2	

C. 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.

D. 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.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

The following table provides a break-up of the Company's fixed and floating rate borrowing:

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed rate borrowings	155.00	-
Floating rate borrowings	2,559.87	2,681.48
Total borrowings	**2,714.87**	**2,681.48**
Total Net borrowing	2,707.74	2,671.69
Add: Upfront fees	7.13	9.79
Total borrowings	**2,714.87**	**2,681.48**

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, 2021 would decrease / increase by ₹ 27.84 crore (for the year ended 31st March, 2020: decrease / increase by ₹ 26.03 crore). 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 2.19%.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 the Standalone Financial Statements as at and for the year ended 31st March, 2021

The movement in allowance for Expected Credit Loss is as follows:

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	**0.78**	**0.18**
Change in allowance for trade receivable which have significant increase in credit risk	-	0.60
Trade receivable written off during the year	0.22	-
Balance as at the end of the year	**0.56**	**0.78**

Ageing of Receivables:

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
0-6 months	422.15	282.19
6-12 months	1.15	12.13
12-24 months	12.90	11.04

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, 2021 and 31st March, 2020 is the carrying amounts mentioned in Note no 15.

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.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Liquidity exposure as at 31st March, 2021

₹ in crore

Particulars	Contractual cash flows			
	‹ 1 year	1-5 year	› 5 years	Total
Financial assets				
Cash and cash equivalents	60.78	-	-	60.78
Bank balances other than cash and cash equivalents	10.31	-	-	10.31
Trade receivables	527.05	-	-	527.05
Loans	224.30	43.58	-	267.88
Non current investments	-	-	453.85	453.85
Other financial assets	323.32	56.15	-	379.47
Total Financial assets	**1,145.76**	**99.73**	**453.85**	**1,699.34**
Financial liabilities				
Long term borrowings	-	1,477.03	211.88	1,688.91
Short term borrowings	655.55	-	-	655.55
Trade payable	727.59	-	-	727.59
Other financial liabilities	738.17	204.77	-	942.94
Total financial liabilities	**2,121.31**	**1,681.80**	**211.88**	**4,014.99**

Liquidity exposure as at 31st March, 2020

₹ in crore

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	196.04	0.01	-	196.05
Total Financial assets	**921.38**	**34.12**	**320.20**	**1,275.70**
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**

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.

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.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

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, 2021

Particulars	CHF	USD	EURO	AED	INR	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	60.78	60.78
Bank balances other than cash and cash equivalents	-	-	-	-	10.31	10.31
Trade receivables	-	-	-	-	527.05	527.05
Loans	-	-	-	-	267.88	267.88
Non current investments	-	-	-	206.13	247.72	453.85
Other financial assets	-	-	-	2.99	376.48	379.47
Total Financial assets	**-**	**-**	**-**	**209.12**	**1,490.22**	**1,699.34**
Financial liabilities						
Long term borrowings	-	-	-	-	1,688.91	1,688.91
Short term borrowings	-	-	-	-	655.55	655.55
Trade payable	-	6.77	0.07	-	720.75	727.59
Other financial liabilities	-	-	-	-	942.94	942.94
Total financial liabilities	**-**	**6.77**	**0.07**	**-**	**4,008.15**	**4,014.99**

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	141.09	320.20
Other financial assets	-	-		2.99	193.06	196.05
Total Financial assets	**-**	**-**	**-**	**182.10**	**1,093.60**	**1,275.70**
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**

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, 2021 would decrease / increase by ₹ 3.06 crore (for the year ended 31st March, 2020: decrease / increase by ₹ 4.71 crore).

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 40. OTHER NOTES

a) Contingent liabilities not provided for in respect of disputed claims/ levies:

₹ in crore

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
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	52.40	47.71
iii)	Cess under the Building and other Constructions Workers Act, 1946	2.00	2.00
iv)	VAT exemption on sales made to SEZ unit	0.05	0.05
v)	Income Tax	0.34	0.39
	Total	**77.29**	**72.65**

b) Commitments:

₹ in crore

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
i)	Estimated amount of Contract remaining to be executed on capital accounts and not provided for (net of advances)	172.46	78.33

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 shareholders of the Company in their meeting held on March 30, 2016 formulated the JSW Cement Employee Stock Ownership Plan- 2016 ('ESOP Plan 2016') which was amended by the shareholders in their Extra-Ordinary General Meeting held on May 21, 2016 and further amended in Extra-Ordinary General Meeting held on May 30, 2017. Under the ESOP Plan 2016, all Employees designated as Junior Manager (L08) and above based on defined criteria were to get maximum five annual grants on Grant 1 on 1st April, 2016, Grant 2 on 1st April, 2017, Grant 3 on 1st April, 2018, Grant 4 on1st April, 2019 & Grant 5 on 1st April, 2020 and the total numbers of grants available under ESOP Plan 2016 were 2,95,90,567.

In last five years, the Company has grown substantially and new employees have joined and are working in the Company. With an intent that all the employees working for the Company have to benefit from the ESOP Plan, the ESOP Committee in its meeting held on 25th March 2021 approved to scrap Grant 4 & Grant 5 under ESOP Plan 2016, keeping all other conditions in this plan unchanged and suggested to introduce a new plan for all employees of the Company,

The status of three grants under this plan with other relevant terms are as follows:

Particulars	FY 2016-17 (Grant 1)	FY 2017-18 (Grant 2)	FY 2018-19 (Grant 3)
Date of Grant	1st April, 2016	1st April, 2017	1st April, 2018
Vesting Period	1 year i.e. from 01.04.2016 to 31.03.2017	50% in 3 years i.e. from 01.04.2017 to 31.03.2020 50% in 4 years i.e. from 01.04.2017 to 31.03.2021	50% in 3 years i.e. from 01.04.2018 to 31.03.2021 50% in 4 years i.e. from 01.04.2018 to 31.03.2022
Option Granted on 1st April	56,20,950	56,15,072	1,34,88,024
Options Lapsed (upto FY 2018-19)	6,67,791	12,01,314	14,42,517
Options forfeited (by cash payout) (upto FY 2018-19)	8,88,009	-	-
Options Outstanding (01.04.2019) Vested Unvested	40,65,150 40,65,150 -	44,13,758 - 44,13,758	1,20,45,507 - 1,20,45,507
Options Lapsed (FY 2019-20)	-	2,75,829	10,68,610

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To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Particulars	FY 2016-17 (Grant 1)	FY 2017-18 (Grant 2)	FY 2018-19 (Grant 3)
Options outstanding (31.03.2020)	40,65,150	41,37,929	1,09,76,897
Vested	40,65,150	20,68,965	-
Unvested	-	20,68,964	1,09,76,897
Options lapsed (FY 2020-21)	-	63,396	6,17846
Options forfeited (to be settled by cash) (FY 2020-21)	8,64,701	3,30,127	4,08,717
Options outstanding (31.03.2021) Vested Unvested	32,00,449 32,00,449 -	37,44,406 37,44,406 -	99,50,334 49,75,167 49,75,167
Method of settlement (on vesting)	Equity Settled	Equity Settled	Equity Settled
Exercise Price (₹ per share)	68.70	68.50	42.77
Fair Value on date of grant	43.24	40.49	23.49
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are
Weighted average values of the share price	Not Applicable	Not Applicable	Not Applicable
Expected Volatility	Average rate of 28% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry	Average rate of 28% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry	Average rate of 28% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry
Expected Option life	7 years	6 years	5 years
Risk-Free Interest rate	5.00% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.	5.00% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.	5.00% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.
The method used and the assumptions made to incorporate the effects of early exercise	Black Scholes option pricing model	Black Scholes option pricing model	Black Scholes option pricing model
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility Whether and how any other features of the option grant were incorporated into the measurement of the fair value, such as market condition	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life

Based on the change in ESOP Plan 2016, in current financial year, the Company has estimated and recognized the total liability for the three grants.

Expenses related to current financial year is debited to Profit & Loss Account ₹ 9.57 crore (Previous Year ₹ 2.42 crore). Expenses related to earlier financial years due to change the plan is recognized as Exceptional items ₹ 35.40 crore.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

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)	₹ crore equivalent
31st March,2021	2	Buy	9.71	71.93
31st March,2020	4	Buy	11.62	87.88

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)	₹ crore equivalent
a)	Import of Raw material & Fuel			
	As at 31st March, 2021	0.01	0.92	6.84
	As at 31st March, 2020	-	-	-
b)	Supplier's/ Buyers' Credit			
	As at 31st March, 2021	-	-	-
	As at 31st March, 2020	-	1.69	12.71
c)	Interest Accrued but not due on Suppliers'/ Buyers' Credit			
	As at 31st March, 2021	-	-	-
	As at 31st March, 2020	-	0.10	0.75

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)	₹ crore equivalent
a)	Suppliers'/ Buyers' Credit		
	As at 31st March, 2021	9.69	71.79
	As at 31st March, 2020	11.58	87.59
b)	Interest Accrued but not due on Suppliers'/ Buyers' Credit		
	As at 31st March, 2021	0.02	0.14
	As at 31st March, 2020	0.02	0.16

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.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

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 31st March, 2021 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:

₹ in crore

Particulars	As at 31st March, 2021 Funded	As at 31st March, 2020 Funded
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	9.47	7.28
Acquisition adjustment		
Service Cost	1.84	1.60
Interest Cost	0.64	0.56
Actuarial (gain)/loss on obligation	(0.73)	0.59
Benefits paid	(0.27)	(0.56)
Closing Balance	**10.95**	**9.47**
b. Fair Value of Plan assets:		
Opening Balance of Fair Value of Plan Assets	7.78	6.21
Expected Return on Plan assets less loss on investments	0.53	0.48
Actuarial gain / (loss) on Plan Assets	0.26	(0.09)
Employers' Contribution	2.76	1.75
Benefits paid	(0.27)	(0.57)
Closing Balance	**11.06**	**7.78**
c. Net Asset/(Liability) recognized in the Balance Sheet:		
Present Value of obligations	(10.95)	(9.47)
Fair Value of plan asset	11.06	7.78
Net Asset/(Liability) recognized in the Balance Sheet (Refer Note 12 and 23)	**0.11**	**(1.69)**
d. Expenses during the Year:		
Service cost	1.84	1.60
Interest cost	0.64	0.56
Expected Return on Plan assets	(0.53)	(0.48)
Component of defined benefit cost recognized in the statement of Profit & Loss	**1.95**	**1.68**
Component of defined benefit cost recognized in Other comprehensive income	**(1.00)**	**0.69**
e. Break up of Plan Assets as a percentage of total plan assets:		
Insurer Managed Funds – Value (99.37%)	10.99	7.77
Bank (0.63%)	0.07	0.01
f. Principal actuarial assumptions:		
Rate of Discounting	6.8%	6.8%
Rate of increase in salaries	6.0%	6.0%
Attrition Rate	2.0%	2.0%
g. Breakup of Plan Assets		
HDFC Group Unit Linked Plan - Option B	1.24	1.18
HDFC Life Stable Management Fund	1.23	1.16
HDFC Life Defensive Managed Fund	0.71	0.62
Canara HSBC OBC Life Group Traditional Plan	7.81	4.81
Bank Balance	0.07	0.01
Total	**11.06**	**7.78**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

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 ₹ 2.76 crore (Previous Year ₹ 1.75 crore).

iv) Experience adjustments

₹ in crore

Particulars	As at 31st March, 2021 Funded	As at 31st March, 2020 Funded	As at 31st March, 2019 Funded	As at 31st March, 2018 Funded	As at 31st March, 2017 Funded
Defined Benefit Obligation	10.95	9.47	7.28	5.71	4.32
Plan Assets	11.06	7.78	6.21	4.14	3.12
Deficit	0.11	(1.69)	(1.07)	(1.57)	(1.20)
Experience Adjustments on Plan Liabilities-Loss/(Gain)	(0.73)	(0.30)	0.08	0.61	0.15
Experience Adjustments on Plan Assets-Loss/(Gain)	-	0.09	(0.05)	(0.01)	(0.10)

a) The Company expects to contribute 1.98 crore 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.

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(9.85)	12.24	(8.48)	10.64
Future salary growth (1% movement)	12.24	(9.83)	10.64	(8.47)
Attrition rate (50% attrition rate)	10.99	(10.89)	9.49	(9.44)
Mortality rate (10% mortality rate)	10.95	10.94	9.47	9.47

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.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

vi) Maturity Profile of Defined Benefit Obligation

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Weighted average duration (based on discounted cash-flows)	11 Years	12 Years
1 Year	0.43	0.41
2 to 5 Year	3.11	2.25
6 to 10 Year	4.18	3.87
More than 10 Years	19.29	17.60

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 ₹ 4.26 crore (Previous Year ₹ 4.03 crore). (refer note 35)

Company's contribution to ESIC recognized in statement of Profit and Loss ₹ 0.01 crore (Previous Year ₹ 0.02 crore). (refer note 35)

viii) Compensated Absences

Assumptions used in accounting for compensated absences

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Present value of obligation	10.99	8.41
Expense recognized in Statement of Profit or loss	4.23	3.07
Discount rate (p.a.)	6.80%	6.80%
Salary escalation (p.a.)	6.00%	6.00%

ix) The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect

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

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Within India	3,398.68	2,761.20
Outside India	14.32	-
Total	**3,413.00**	**2,761.20**

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.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

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

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

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

JSW GMR Cricket Private Limited

JSW Bengaluru Football Club

Epsilon Corban Private Limited

Epsilon Advanced Materials Private Limited

JSW Sports Private Limited

Everbest Consultancy Service Private Limited

JSW Processors & Traders Private Limited

JSW Ispat Special Products Limited

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)

Ms. Sneha Bindra (Company Secretary)

B) Nature of transactions*:

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of Goods/ Power & Fuel/ Services:		
JSW IP Holdings Private Limited	7.05	8.14
JSW Steel Limited	133.70	62.32
JSW Energy Limited	117.52	120.72
JSW Steel Coated Products Limited	0.23	2.47
South – West Mining Limited	0.04	0.03
JSW International Tradecorp PTE Limited	23.81	93.84
JSW Dharamtar Port Private Limited	9.91	6.26
JSW Power Trading Company Limited	6.74	7.80
Amba River Coke Limited	6.17	11.58
JSW Ispat special products Limited	0.59	-
JSW Global Business Solutions Limited	7.66	7.47
Shiva Cement Limited	10.61	11.30
Utkarsh Transport Private Limited	11.42	10.83
JSW GMR Cricket Private Limited	0.01	0.09
JSW Bengaluru Football Club	0.01	0.00
JSW Processors & Traders Private Limited	10.61	-
JSW Paints Limited	1.35	-
JSW Cement FZE	16.51	-
JSW Sports Private Limited	-	0.49
	363.94	**343.34**
Lease rent paid:		
JSW Steel Limited	2.57	3.08
JSW Bengal Steel Limited	1.54	1.74
Descon Limited	0.95	1.12
JSW Realty and Infrastructure Private Limited	0.62	0.37
Tranquil Homes & Holdings Private Limited	0.49	0.52
Shiva Cement Limited	0.01	0.01
	6.18	**6.84**
Donation/ CSR expense:		
JSW Foundation	1.38	2.02
	1.38	**2.02**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of Assets:		
JSW Energy Limited	95.67	-
	95.67	**-**
Reimbursement of expenses:		
JSW Steel Limited	0.23	12.26
JSW Realty and Infrastructure Private Limited	0.01	0.04
JSW Energy Limited	0.82	0.89
Tranquil Home and Holding Private Limited	0.02	-
JSW Foundation	-	0.06
	1.08	**13.25**
Sales of Goods / Services :		
JSW Steel Limited	119.05	215.44
JSW Steel Coated Products Limited	8.63	19.48
JSW Energy Limited	2.92	0.77
Amba River Coke Limited	0.50	1.16
Dolvi Coke Project Limited	-	3.43
JSW Dharamtar Port Private Limited	2.23	0.64
JSW Techno Projects Management Limited	0.03	0.38
JSW Steel (Salav) Limited	-	0.04
JSW Severfield Structures Limited	0.22	1.57
JSW Jaigarh Port Limited	0.51	0.16
JSW Projects Limited	0.22	0.21
JSW Foundation	0.16	0.09
JSW Realty & Infrastructure Private Limited	3.11	3.94
Shiva Cement Limited	0.21	0.58
Gopal Traders Private Limited	0.03	0.03
Epsilon Corban Private Limited	0.13	-
Epsilon Advanced Materials Pvt Ltd	0.00	-
JSW Ispat Special Products Limited	0.31	-
JSW Paints Private Limited	0.44	2.72
	138.70	**250.64**
Sale of Assets:		
JSW Green Cement Limited	0.05	-
JSW Processors & Traders Private Limited	13.08	-
Shiva Cement Limited	0.33	-
	13.46	**-**
Interest income on Loan/Deposit given to		
JSW Global Business Solutions Limited	0.27	0.33
Shiva Cement Limited	15.87	13.86
JSW Cement FZE	-	1.40
JSW Sports Private Limited	28.41	26.94
Utkarsh Transport Private Limited	1.41	0.49
JSW Green Cement Private Limited	0.24	0.03
JSW Steel Limited	-	0.16
JSW Paints Private Limited	0.08	-
JTPM Metal Traders	1.90	-
JSW Energy Limited	-	0.23
	48.18	**43.44**
Interest paid on loan /deposit taken from		
JSW Paints Limited	1.16	-
JSW Dharamtar Port	0.07	-
South West Mining Limited	1.47	-
	2.70	**-**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Guarantee Commission Income:		
JSW Cement FZE	1.14	0.03
	1.14	**0.03**
Recovery of expenses:		
JSW Energy Limited	-	1.26
JSW Bengal Steel Ltd	0.40	0.59
JSW Bengaluru Football Club Private Limited	0.65	-
JSW Steel Limited	3.09	-
JSW Foundation	0.00	-
Shiva cement Limited	0.02	-
Utkarsh Transport Private Limited	0.13	0.13
JSW Green Cement Private Limited	0.19	0.65
	4.48	**2.63**
Purchase of Equity Share:		
JSW Cement FZE (through loans conversion)	-	151.03
JSW Cement FZE (Corporate Guarantee obligation)	22.63	5.57
Utkarsh Transport Private Limited	-	-
JSW Green Cement Private Limited	-	0.01
Shiva Cement Limited	13.30	-
JSW Energy Limited	-	5.54
	35.93	**162.15**
Investment:		
JSW Sports Private Limited (9% Optionally Convertible Debenture)	-	309.00
Everbest Consultancy Service Private Limited*	100.00	-
	100.00	**309.00**
Deposit given		
JSW Realty and Infrastructure Private Limited	1.29	1.09
JSW Power Trading Company Limited	-	0.20
	1.29	**1.29**
Deposit received back		
JSW Bengal Steel	0.25	-
	0.25	**-**
Loan Taken		
JSW Paints Limited	60.00	-
JSW Dharamtar Port Private Limited	15.00	-
South West Mining Limited	80.00	-
	155.00	**-**
Loan repaid		
JSW Paints Limited	60.00	-
JSW Dharamtar Port Private Limited	15.00	-
	75.00	**-**
Investment returned		
JSW Sports Private Limited	13.50	-
	13.50	**-**
Loan given		
JSW Sports Private Limited	-	10.00
Shiva Cement Limited	57.84	16.20
Utkarsh Transport Private Limited	12.90	9.64
JSW Green Cement Private Limited	4.57	2.05
JSW Paints Limited	7.50	-
JSW Cement FZE	-	46.30
JTPM Metal Trader Private Limited	-	20.00
	82.81	**104.19**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Loan Given- Received Back		
JSW Global Business Solutions Limited	0.59	1.32
Shiva Cement Limited	65.35	4.50
Utkarsh Transport Private Limited	-	5.70
JSW Paints Limited	7.50	-
JSW Sports Private Limited ***	-	285.00
JSW Cement FZE**	-	151.03
	73.44	**447.55**

* Amount excludes 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

₹ in crore

Nature of transaction	FY 2020-21	FY 2019-20
Short-term employee benefits	10.03	9.62
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	**10.03**	**9.62**

1. The Company has accrued ₹ 2.86 crore in respect of employee stock options granted to key managerial personnel. The same has not been considered as managerial remuneration of the Current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.
2. 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, 2021, 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, 2021 was Amounting ₹ 170.00 crore. 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, 2021 was Amounting ₹ 21.84 crore. These loans are unsecured and carry an interest rate 9.5%- 11.00% per annum.

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

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 crore.

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 ₹ 1.97 crore.

The Company had entered into arrangement with JSW Bengal Steel Limited to take on rent Guest House & accommodation facility for business purpose amounting to ₹ 1.54 crore for period of 10 years, renewable at option of both the parties.

The Company had entered into arrangement with JSW Realty Infrastructure Private Limited for period of 25 years to take on rent accommodation facility for business purpose in its integrated township amounting to ₹ 0.62 crore, renewable at option of both the parties.

C) Closing balances:

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Payables:		
JSW Steel Limited	6.20	6.99
JSW Energy Limited	31.96	77.58
JSoft Solutions Limited	-	-
South – West Mining Limited	-	-
Amba River Coke Limited	4.15	2.08
JSW Power Trading Company Limited	0.48	0.46
JSW Global Business Solutions Limited	2.86	1.34
JSW IP Holding Private Limited	5.24	3.52
JSW Dharamtar Port Private Limited	1.07	5.53
Utkarsh Transport Private Limited	-	0.01
Shiva Cement Limited	0.16	0.18
JSW Realty and Infrastructure Private Limited	-	0.17
Tranquil Homes & Holding Private Limited	-	0.08
JSW Steel Coated Products Ltd.	0.27	-
JSW Foundation	0.36	0.12
JSW International Tradecorp PTE Limited	-	0.12
Descon Limited	-	0.13
JSW Cement FZE	2.25	-
JSW Bengal Steel Limited	0.10	-
	55.10	**98.31**
Deposit Given		
JSW Bengal Steel Limited	2.25	2.50
JSW IP Holdings Private Limited	0.10	0.10
JSW Steel Limited	10.32	10.32
JSW Realty and Infrastructure Private Limited	3.27	1.98
	15.94	**14.90**
Advances Given		
JSW Steel Coated Products Limited	0.04	0.04
JSW Ispat Special Products Limited	0.37	-
JSW Power Trading Company Limited	0.59	1.98
JSW Bengal Steel Limited	-	0.04
Descon Limited	0.01	-
JSW Foundation	0.39	0.35
JSW Bengaluru Football Club Private Limited	0.73	-
JSW Green Energy Limited	0.32	-

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
JSW Processors & Traders Private Limited	0.03	-
JSW Structural Metal Decking Limited	0.02	-
Utkarsh Transport Private Limited	0.77	-
JSW Steel Limited	3.90	13.31
	7.17	**15.72**
Trade Receivables:		
JSW Steel Limited	53.56	70.57
JSW Steel Coated Products Limited	2.67	8.90
JSW Jaigarh Port Limited	-	0.16
Dolvi Coke Project Limited	-	0.67
Amba River Coke Limited	0.98	0.86
JSW Steel (Salav) Limited	-	-
JSW Techno Projects Management Limited	0.03	0.11
JSW Dharamtar Port Private Limited	2.06	0.62
JSW Foundation	0.07	0.10
JSW Realty and Infrastructure Private Limited	1.55	-
JSW Severfield Structures Limited	0.11	0.26
Gopal Traders Private Limited	0.01	0.01
JSW Projects Limited	0.48	0.13
JSW Energy Limited	3.28	--
JSW Green Cement Private Limited	0.06	-
JSW Processors & Traders Private Limited	9.43	-
Shiva Cement Limited	0.42	
JSW Paints Private Limited	0.08	0.29
	74.79	**82.68**
Investments held by the Company		
JSW Energy Limited	23.13	11.20
Shiva Cement Limited	279.12	165.82
Everbest Consultancy Service Private Limited	100.00	-
JSW Cement FZE	206.13	179.11
JSW Sports Private Limited	295.50	309.00
Utkarsh Transport Private Limited	1.01	1.01
JSW Green Cement Private Limited	0.01	0.01
	904.90	**666.15**
Advance Received		
JSW Realty and Infrastructure Private Limited		0.02
JSW Energy Limited		0.18
Dolvi Coke Project Limited	0.20	-
Epsilon Corban Pvt Limited	0.03	-
Epsilon Advanced Materials Private Limited	0.01	-
	0.24	**0.20**
Rent & Other Receivables		
JSW Steel Limited	11.38	8.42
JSW Cement FZE	0.72	0.32
JSW Green Cement Private Limited	1.98	0.43
	14.08	**9.17**
Corporate Guarantee issued on behalf of JSW Cement FZE	**493.16**	**271.63**
Loan given		
JSW Global Business Solutions Limited	1.84	2.43
Shiva Cement Limited	141.75	149.25
Utkarsh Transport Private Limited	21.63	8.73
JTPM Metal Trader Private Limited	20.00	20.00
JSW Green Cement Private Limited	6.62	2.05
	191.84	**182.46**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Loan taken		
South West Mining Limited	80.00	-
Interest receivable on Investment in Debenture		
JSW Sports Private Limited	25.97	-
Interest Payable on Loan Availed		
South West Mining Limited	1.36	-
JSW Paints Limited	0.02	
	1.38	**-**
Interest receivable on Loan given		
Utkarsh Transport Private Limited	1.96	0.66
JSW Global Business Solutions Limited	0.25	-
Shiva Cement Limited	44.98	33.64
JSW Cement FZE	2.99	2.99
JSW Sports Private Limited	-	0.25
Sajjan Jindal Family Trust	-	0.02
JTPM Metal Trader Private Limited	1.78	0.02
JSW Green Cement Private Limited	0.25	0.03
	52.21	**37.61**

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

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 agreement by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has used a single discount rate to a portfolio of leases with similar characteristics. 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. 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.

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.

The details of the right-of-use asset held by the Company is as follows:

₹ in crore

Particulars	Additions for the year ended 31st Mar 2021	Net carrying amount as at 31st March, 2021	Additions for the year ended 31st March 2020	Net carrying amount as at 31st March, 2020
Leasehold land	-	19.11	23.68	21.22
Leasehold property	10.90	23.86	30.50	23.16
Power plant	-	162.13	183.82	178.92
Total	**10.90**	**205.10**	**238.00**	**223.30**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Depreciation on right to use assets is as follows:

₹ in crore

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Leasehold land	2.20	2.46
Leasehold property	7.75	7.34
Power plant	7.22	4.90
Total	**17.17**	**14.70**

Interest on right to use assets is as follows:

₹ in crore

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Leasehold land	0.94	1.17
Leasehold property	2.33	2.40
Power plant	13.10	11.56
Total	**16.37**	**15.13**

The Company incurred ₹ 5.50 crore for the year ended March 31, 2021 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 34.52 crore for the year ended 31st March, 2021, 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.

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 1st April and ending on 31st March. 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 2020-21 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.

₹ in crore

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Current tax:		
Current Tax	69.07	42.56
Earlier year tax provision	-	0.10
Deferred tax:		
Deferred Tax (Asset) / Liability	142.58	84.04
Minimum Alternate Tax Credit Entitlement	(69.07)	(42.66)
Total deferred tax	**73.51**	**41.38**
Total tax expense	**142.58**	**84.04**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ in crore

Particulars	For the Year 31st March 2021	For the Year 31st March 2020
Profit Before Tax	395.92	246.03
Enacted Tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	**138.35**	**85.97**
Tax effect of:		
Income exempt from taxation	(0.08)	(0.14)
Expense not deductible in determining taxable profit	63.30	56.22
Expense allowed in determining taxable profit	(131.76)	(108.95)
Increase/(reversal) of Unabsorbed Depreciation	(69.80)	(33.10)
Total Tax effect	**(138.35)**	**(85.97)**
Deferred tax on account of		
Property, Plant & Equipment & Other Intangible Asset	46.97	139.94
(Increase)/reversal of Unabsorbed Depreciation	90.00	22.93
Financial Assets, Liabilities and Other Item	1.10	(78.58)
Deferred Tax	**138.07**	**84.28**
Deferred tax on OCI	**4.51**	**(0.24)**
Tax Expense recognised in Statement of Profit and Loss	**142.58**	**84.04**
Effective Tax Rate	**36.01%**	**34.16%**

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 40 a).

Deferred tax assets / liabilities

Significant component of deferred tax assets/(liabilities) recognizes in the financial statements as follows

₹ in crore

Deferred tax balance in relation to	As at 31st March, 2020	Recognized/ Reversed through profit and loss	Recognized in/ reclassified from other comprehensive income	As at 31st March, 2021
Property plant & Equipment	(557.60)	(46.96)	-	(604.56)
Carried forward business loss/unabsorbed depreciation	266.64	(90.01)	-	176.63
Provision for Employee benefit	2.97	0.74	(0.34)	3.37
Borrowings, Lease and Other Liability	77.76	(0.90)	-	76.86
Investment at FVTOCI			(4.17)	(4.17)
Others	0.49	(0.93)	-	(0.44)
MAT Credit entitlement	164.52	69.07		233.59
Balance at the end of the year	**(45.21)**	**(68.99)**	**(4.51)**	**(118.72)**

₹ in crore

Deferred tax balance in relation to	As at 31st March, 2019	Recognized/ Reversed through profit and loss	Recognized in/ reclassified from other comprehensive income	As at 31st March, 2020
Property plant & Equipment	(417.55)	(140.04)	-	(557.59)
Carried forward business loss/unabsorbed depreciation	289.57	(22.93)	-	266.64
Provision for Employee benefit	2.30	0.43	0.24	2.97
Borrowings, Lease and Other Liability	0.14	77.62	-	77.76
Investment at FVTOCI			-	-
Others	(0.15)	0.64	-	0.49
MAT Credit entitlement	121.86	42.66		164.52
Balance at the end of the year	**(3.83)**	**(41.62)**	**0.24**	**(45.21)**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

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

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Audit Fees		
Statutory Audit	0.35	0.30
Certification & Out of pocket expenses	0.01	0.01
Total	**0.36**	**0.31**

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

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit attributable to equity holders of the Company:	257.85	161.75
Profit attributable to equity holders of the Company for basic earnings	257.85	161.75
Profit attributable to equity holders of the Company adjusted for the effect of dilution	**257.85**	**161.75**

ii. Weighted average number of Equity shares

Particulars	31st March, 2021 Nos.	31st March, 2020 Nos.
Issued ordinary shares at 1st April	986,352,230	986,352,230
Effect of shares issued for cash	-	-
Weighted average number of shares at 31st March for basic EPS	**986,352,230**	**986,352,230**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

iii. Effect of Dilution

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Share Application Money	-	-
Convertible preference shares	-	-
Convertible debentures	-	-
Weighted average number of shares at 31st March	**986,352,230**	**986,352,230**

iv. Basic and Diluted earnings per share

Amount in ₹

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Basic earnings per share: (i/ii)	2.61	1.64
Diluted earnings per share: (i/iii)	**2.61**	**1.64**

n) a) Revenue recognised from Contract liability (Advances from Customers):

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Closing Balance of Contract Liability	10.97	12.26

The contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2021.

b) Product wise turnover

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Cement	2,480.11	1,897.33
GGBS	709.89	689.32
Screen slag	43.87	-
RMC	48.90	78.32
Others	40.74	34.17
Total	**3,323.51**	**2,699.14**

c) The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from contracts with customer	3,323.51	2,699.14
Other operating revenue	89.50	62.06
Total revenue from operations	**3,413.01**	**2,761.20**
India	3,398.68	2,761.20
Outside India	14.32	-
Total revenue from operations	**3,413.01**	**2,761.20**
Timing of revenue recognition		
At a point in time	3,413.01	2,761.20
Total revenue from operations	**3,413.01**	**2,761.20**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

o) Details of Corporate Social Responsibility (CSR) Expenditure:

The Company has incurred an amount of ₹ 4.88 crore (31st March, 2020 ₹ 3.82 crore) towards Corporate social responsibility (CSR) as per Section 135 of the Companies Act, 2013 and is included in other expenses.

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Amount required to be spent as per Section 135 of the Act	3.52	3.26
Amount spend during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	4.88	3.82
Total	**4.88**	**3.82**

p) Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Company):

₹ in crore

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Principal amount due outstanding as at 31st March	20.51	6.15
2	Principal amount overdue more than 45 days	4.92	6.15
3	Interest due on (2) above and unpaid as at 31st March	0.04	0.09
4	Interest paid to the supplier	-	-
5	Payments made to the supplier beyond the appointed day during the year	-	-
6	Interest due and payable for the period of delay	-	-
7	Interest accrued and remaining unpaid as at 31st March	-	-
8	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, ₹ 493.16 crore (Previous Year: ₹ 271.63 crore) is utilized against loan drawn (refer note 40 (i))

Refer below for details of corporate guarantee issued:

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Guarantees	580.47	580.47

r) Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act

Particulars	Party	2020-21		2019-20	
		Max amount O/s during the year	Closing Balance	Max amount O/s during the year	Closing Balance
Loan given	Utkarsh Transport Private Limited	21.63	21.63	8.72	8.72
	JSW Global Business Solutions Private Limited	2.42	1.84	3.02	2.42
	JTPM Metal Traders Private Limited	20.00	20.00	20.00	20.00
	Monnet Ispat & Energy Limited	25.11	25.11	25.11	25.11
	Jindal Steel and Power Limited	20.37	1.66	21.57	20.37
	Jasani Realty Private Limited	43.31	43.31	57.17	42.76
	JSW Green Cement Private Limited	6.62	6.62	2.05	2.05
	JSW Cement FZE	-	-	153.84	-
	Shiva Cement Limited	244.60	141.75	149.25	149.25
	JSW Sports Private Limited	-	-	285.00	-
Total		**-**	**261.92**	**-**	**270.68**

Notes

To the Standalone Financial Statements as at and for the year ended 31st March, 2021

Particulars	Party	2020-21		2019-20	
		Max amount O/s during the year	Closing Balance	Max amount O/s during the year	Closing Balance
Investments					
	JSW Energy Limited	-	23.13	-	11.20
	Shiva Cement Limited – Preference shares	-	100.00		
	Shiva Cement Limited	-	179.12	-	165.82
	Everbest Consultancy service Pvt Ltd.	-	100.00		
	JSW Sports Private Limited	-	295.50	-	309.00
	JSW Green cement Private Limited	-	0.01	-	0.01
	Utkarsh Transport Private Limited	-	1.01	-	1.01
	JSW Cement FZE	-	206.13	-	179.11
Total			**904.90**	**-**	**666.15**
Guarantees	JSW Cement FZE	-	580.47	-	580.47
Total			**580.47**	**-**	**580.47**

Details of investment made by the Company are given under note 7 and 8.

s) Previous year figures have also been reclassified/ regrouped, wherever necessary, to conform to current year's classification.

As per our report of even date
For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 21144084AAAABJ4009

Place: Mumbai
Date: 1st May, 2021

For and on behalf of 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 & Com.
DIN: 03578016

Sneha Bindra
Company Secretary

Independent Auditors' Report

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 Balance sheet as at March 31, 2021, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements / financial information of the subsidiaries referred to in sub – paragraph (a) of the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021 and their consolidated profit including other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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 consolidated 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.

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 and other financial information of 3 subsidiaries, whose financial statements include total assets of ₹ 349.05 crore as at March 31, 2021, total revenues of ₹ 21.95 crore and net cash inflows / (outflows) amounting to ₹ 9.41 crore for the year ended on that date as considered in the consolidated financial statements whose financial statements and financial information have not been audited by us. These financial statements and financial information have been audited by other auditors, whose financial statements, other financial information and auditor's 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 ₹ 1040.61 crore as at March 31, 2021, total revenues of ₹ 427.69 crore and net cash inflows / (outflows) amounting to ₹ 14.68 crore 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 and financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section (3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   a. We / the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of other auditors.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e. On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and reports of the other statutory auditors who are appointed under section 139 of the Act, of its subsidiary companies, none of the Directors of the Group companies is disqualified as on March 31, 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 31, 2021 has been paid / provided by the Holding Company and its subsidiary companies incorporated in India to their Directors in accordance with the provisions of section 197 read with Schedule (V) to the Act.

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 38 (a) to the consolidated financial statements.

      ii. The Group did not have any long-term contracts including derivative contracts as at March 31, 2021 for which there were any material foreseeable losses and

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India.

For H P V S & Associates.,
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
Membership Number: 144084
UDIN: 21144084AAAABN8131

Place: Mumbai
Date: 1st May, 2021

Annexure A to the Independent Auditors' Report

Report on the internal financial controls with reference to the aforesaid consolidated 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 31, 2021, 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 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

TThe 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 H P V S & Associates.,
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
Membership Number: 144084
UDIN: 21144084AAAABN8131

Place: Mumbai
Date: 1st May, 2021

Consolidated Balance Sheet

As at 31st March, 2021

₹ in crore

		Notes	As at 31st March, 2021	As at 31st March, 2020
I	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	4	3,755.43	2,831.16
	(b) Capital work-in-progress	4.6	289.11	916.06
	(c) Right of use	5	212.23	224.72
	(d) Other intangible assets	6	26.53	20.09
	(e) Intangible assets under development	6A	5.07	3.86
	(f) Goodwill	38q	230.30	217.30
	(g) Financial assets			
	(i) Investments	7	353.85	320.20
	(ii) Loans	8	4.83	5.18
	(iii) Other financial assets	9	56.31	5.95
	(h) Current tax assets (net)	10	41.73	33.32
	(i) Current tax assets (net)	11	1.56	4.47
	(j) Other non-current assets	12	276.67	235.81
	Total non-current assets		**5,253.62**	**4,818.12**
	Current assets			
	(a) Inventories	13	349.29	459.15
	(b) Financial assets			
	(i) Trade receivables	14	619.35	423.69
	(ii) Cash and cash equivalents	15	95.65	87.46
	(iii) Bank balances other than (ii) above	16	39.76	26.73
	(iv) Loans	8	94.13	111.77
	(v) Derivative Assets	17	4.21	3.41
	(vi) Other financial assets	9	273.29	155.63
	(c) Other current assets	12	214.22	116.74
	Total current assets		**1,689.90**	**1,384.58**
	Total assets		**6,943.52**	**6,202.70**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	18	986.35	986.35
	(b) Other equity	19	839.13	539.54
	Equity attributable to owners of the Company		**1,825.48**	**1,525.89**
	(c) Non controlling interest		(7.03)	2.83
	Total equity		**1,818.45**	**1,528.72**
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	2,123.73	2,183.58
	(ii) Lease liabilities	21	190.74	201.53
	(ii) Other financial liabilities	22	11.28	20.79
	(b) Provisions	23	49.29	37.88
	(c) Deferred tax liabilities (net)	10	118.73	45.21
	(d) Other financial liabilities			
	Total non-current liabilities		**2,493.77**	**2,488.99**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	24	660.30	347.26
	(ii) Trade payables			
	(a) Total outstanding dues of Micro enterprises and small enterprises	25	20.53	6.15
	(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises	25	893.07	781.63
	(iii) Derivative Liability	26	0.23	-
	(iv) Lease liabilties	21	14.93	12.63
	(v) Other financial liabilities	27	912.27	977.47
	(b) Other current liabilities	28	129.61	59.53
	(c) Provisions	23	0.36	0.32
	Total current liabilities		**2,631.30**	**2,184.99**
	Total liabilities		**5,125.07**	**4,673.98**
	Total equity and liabilities		**6,943.52**	**6,202.70**

See accompanying notes to the consolidated financial statement

As per our report of even date
For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 21144084AAAABJ4009

For and on behalf of 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 & Com.
DIN: 03578016

Sneha Bindra
Company Secretary

Place: Mumbai
Date: 1st May, 2021

Consolidated Statement of Profit and Loss

For the year ended 31st March, 2021

₹ in crore

		Notes	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I	Revenue from operations	29	3,858.15	2,927.51
II	Other income	30	65.48	40.36
III	**Total Income (I + II)**		**3,923.63**	**2,967.87**
IV	**Expenses**			
	Cost of raw material consumed	31	946.45	696.66
	Purchases of stock in trade	32	27.64	-
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	33	25.16	(54.84)
	Employee benefits expense	34	205.07	175.24
	Power and fuel		451.32	404.73
	Freight and handling expenses		796.75	668.71
	Other expenses	35	592.51	437.71
			3,044.90	**2,328.21**
	Less: Captive consumption		(5.48)	(2.51)
	Total Expenses (IV)		**3,039.42**	**2,325.70**
V	**Earnings before interest, tax, depreciation and amortisation (EBITDA) (III - IV)**		**884.21**	**642.17**
VI	Finance costs	36	290.65	267.73
VII	Depreciation and amortization expense	37	178.68	144.66
VIII	**Profit before tax (V-VI-VII)**		**414.88**	**229.78**
	Exceptional Items			
	ESOP Expense	38d	35.40	-
	Profit / (Loss) before tax		**379.48**	**229.78**
	Tax expenses			
	Deferred tax		129.63	75.47
IX	**Total tax expenses**	38 j	**129.63**	**75.47**
X	**Profit for the year (VIII - IX)**		**249.85**	**154.31**
XI	**Other comprehensive income**			
A	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the defined benefit plans		1.07	(0.95)
	(b) Equity instruments through other comprehensive income		11.93	(10.32)
	ii) Income tax relating to items that will not be reclassified to profit or loss		(4.54)	0.31
	Total (A)		**8.46**	**(10.96)**
B	i) Items that will be reclassified to profit or loss			
	(a) Foreign currency translation reserve		(5.62)	16.34
	(b) The effective portion of gains and loss on hedging instruments		4.21	-
	ii) Income tax relating to items that will be reclassified to profit or loss			
	Total (B)		**(1.41)**	**16.34**
	Total other comprehensive income/(loss) (X + XI)		**256.90**	**159.69**
	Total Profit /(loss) for the year attributable to:			
	- owners of the Company		258.79	164.71
	- Non - controlling interest		(8.94)	(10.40)
	Total		**249.85**	**154.31**
	Other comprehensive income/(loss) for the year attributable to:			
	- owners of the Company		7.02	5.47
	- Non - controlling interest		0.03	(0.09)
	Total		**7.05**	**5.38**
	Total Comprehensive income/ (loss) for the year attributable to:			
	- owners of the Company		265.81	170.18
	- Non - controlling interest		(8.91)	(10.49)
	Total		**256.90**	**159.69**
XII	**Earnings per equity share (face value of ₹ 10/- each)**			
	- Basic (in ₹)	38l	2.53	1.56
	- Diluted (in ₹)		2.53	1.56

See accompanying notes to the consolidated financial statement

As per our report of even date
For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 21144084AAAABJ4009

For and on behalf of 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 & Com.
DIN: 03578016

Sneha Bindra
Company Secretary

Place: Mumbai
Date: 1st May, 2021

Consolidated Cash Flow Statement

For the year ended 31st March, 2021

₹ in crore

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
PROFIT BEFORE TAX	**379.48**	**229.79**
Adjustments for:		
Interest income	(37.73)	(32.42)
Dividend on long-term investments	(0.24)	(0.39)
Unwinding of interest on financial assets carried at amortised cost	(0.56)	(0.76)
Unwinding of interest on financial liabilities carried at amortised cost	3.65	2.87
Mines restoration provision	2.66	2.32
Share based payment	9.57	2.42
Exception Items	35.40	-
Interest ion finance lease	16.36	15.14
Loss on sale of Property, plant and equipment	5.42	0.02
Unrealised foreign exchange gain / (loss)	3.75	3.32
Depreciation and amortisation expense	178.68	144.66
Non Cash expenses	(5.21)	(3.34)
Interest costs on borrowings	265.81	247.40
Operating profit before working capital changes	**857.04**	**611.03**
Movements in Working Capital:		
(Increase) in Trade receivables	(195.83)	(29.45)
(Increase) in Inventories	109.87	(179.45)
(Increase) Loans & advances*	17.39	224.51
(Increase) / Decrease financial and others assets	(177.88)	34.02
Increase in Trade payables	130.26	56.00
Increase in financial and other liabilities	134.27	50.36
Cash flow used in Operations	**875.12**	**767.02**
Income taxes paid (net)	(56.72)	(44.04)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**818.40**	**722.98**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment including capital advances	(644.91)	(553.87)
Proceeds from sale of property, plant and equipment	32.50	0.05
Interest received	14.83	28.15
Investment in associates	(105.12)	(84.63)
Dividend on long-term investments	0.24	0.39
Gain/(loss) on Purchase/Sale of current investments	-	12.89
Loan given to related party (net)	0.59	(167.82)
NET CASH USED IN INVESTING ACTIVITIES	**(701.87)**	**(764.84)**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from non-current borrowings	200.16	453.11
Repayment of non-current borrowings	(280.72)	(241.31)
Proceeds from current borrowings	313.04	195.58
Payment for lease laibilities	(41.48)	(31.47)
Interest paid on borrowings	(286.31)	(257.12)
NET CASH GENERATED FROM FINANCING ACTIVITIES	**(95.31)**	**118.79**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B +C)	**21.22**	**76.93**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**114.19**	**37.26**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR [Refer Note 15 and 16]	**135.41**	**114.19**

*Includes current/ non-current

Consolidated Cash Flow Statement

For the year ended 31st March, 2021

Reconciliation forming part of cash flow statement

₹ in crore

Particulars	1st April, 2020	Cash Flow (net)	New Leases	Others	31st March, 2021
Borrowings (non-current) (including current maturities of long-term borrowings included in other financial liabilities	2,622.57	(80.56)	-	(0.38)	2,541.63
Borrowings Current	347.26	313.04	-	-	660.30
Finance Lease Obligation (including current maturities)	214.16	(41.48)	29.37	3.63	205.68

Particulars	1st April, 2019	Cash Flow (net)	New Leases	Others	31st March, 2020
Borrowings (non-current) (including current maturities of long-term borrowings included in other financial liabilities	2,408.82	211.80	-	1.95	2,622.57
Borrowings Current	151.68	195.58	-	-	347.26
Finance Lease Obligation (including current maturities)	-	(31.47)	240.80	4.83	214.16

See accompanying notes to the consolidated 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 report of even date
For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 21144084AAAABJ4009

For and on behalf of 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 & Com.
DIN: 03578016

Place: Mumbai
Date: 1st May, 2021

Sneha Bindra
Company Secretary

Consolidated Statement of Changes in Equity (Socie)

For the year ended 31st March, 2021

Equity Share Capital (A)

₹ in crore

Particular	For the year ended 31st March, 2020
Balance at 1st April, 2019	**986.35**
Changes in equity share capital during the year	-
Balance at 31st March, 2020	**986.35**
Changes in equity share capital during the year	-
Balance at 31st March, 2021	**986.35**

Other equity : Total (B)

₹ in crore

Particular	Reserves & Surplus								Items of Other comprehensive income				
	Retained Earnings	Share option outstanding reserve	Security Premium	Legal Reseve	Cash Flow Hedge Reserve	Business Control	Capital Reserve	Share Application	Foreign Currency Translation Reserve	Equity instruments through other comprehensive income	Attributable to Owners of the Parent Company	Non Controlling Interest	Total
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	162.91	-	-	1.79	-	-	-	-	-	-	164.70	(10.28)	154.42
Transition impact of INS AS 116	(0.16)	-	-	-	-	-	-	-	-	-	(0.16)	(0.12)	(0.28)
Share Issue expense	-	2.39	-	-	-	-	-	-	-	-	2.39	-	2.39
Acquisition of non controlling interest	-	-	-	-	-	-	-	-	-	-	-	(0.10)	(0.10)
share based payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the year	(0.55)	-	-	-	-	-	-	-	16.34	(10.31)	5.48	(0.11)	5.37
Transfer to retained earning released profit on FVTOCI	2.93	-	-	-	-	-	-	-	-	(2.93)	-	-	-
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**
Profit for the year	259.44	-	-	-	4.21	-	-	-	-	-	263.65	(7.99)	255.65
Acquisition of non controlling interest	-	-	-	-	-	-	-	-	-	-	-	(1.90)	-
Transition Impact of Ind AS 116	-	-	-	-	-	-	-	-	-	-	-	-	-
Share based payments	(1.61)	34.76	-	-	-	-	-	-	-	-	33.15	-	33.15
Other comprehensive income for the year	0.66	-	-	-	-	-	-	-	(5.62)	7.75	2.79	0.03	2.83
Transfer to legal reserve	(2.05)	-	-	2.05	-	-	-	-	-	-	-	-	-
Transfer to retained earning realised profit on FVTOCI	0.68	-	-	-	-	-	-	-	-	(0.68)	-	-	-
Total comprehensive income for the year	**257.13**	**34.76**	**-**	**2.05**	**4.21**	**-**	**-**	**-**	**(5.62)**	**7.07**	**299.59**	**(9.86)**	**291.63**
Balance at 31st March, 2021	**735.71**	**40.87**	**52.07**	**3.95**	**4.21**	**0.09**	**8.12**	**-**	**10.04**	**(15.93)**	**839.13**	**(7.03)**	**834.00**

See accompanying notes to the consolidated financial statement

As per our report of even date
For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 21144084AAAABJ4009

Place: Mumbai
Date: 1st May, 2021

For and on behalf of Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

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Managing Director
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Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & Com.
DIN: 03578016

Sneha Bindra
Company Secretary

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

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. Significant Accounting policies

I. Statement of Compliance

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 1st May 2021.

Accordingly, the Parent Company has prepared these Consolidated Balance sheet as at 31st March, 2021, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31st March, 2021 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 Parent Company. All the values are rounded off to crore 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.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

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.

Consolidation Procedure

- Combine like items of assets, liabilities, equity, income, expense and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and parent's portion of equity of each subsidiary. Business combination policy explains how to account for any related goodwill.
- 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.

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.

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

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

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.

Construction Contracts

Revenue is recognized to the extent that it is probable that the economic benefits associated with the contract and the stage of contract completion at the end of the reporting period can be measured reliably and it determines the satisfaction of performance obligation at a point in time and subsequently over time when the Group has enforceable right for payment for performance completed to date.

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

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

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

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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.

Group as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of the ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases rental income is recognised on a straight line basis over the terms of the relevant lease.

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 Parent Company 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) (e);
- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the Consolidated Financial Statements upto 31st March, 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.

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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.

Liability with respect to Foreign Subsidiary Company is recognized based on the estimated liability for employees' entitlement to annual leave and gratuity as a result of services rendered by eligible employees up to the reporting date. Provision is made for the full amount of end of service benefits i.e. for the period of service up the end of reporting date which is in accordance with the UAE labour Law. The provision relating to annual leave and gratuity is disclosed as non-current liability.

U.A.E. national employees of the Entity are members of the Government-managed retirement pension and social security benefit scheme pursuant to U.A.E. Federal Law No. (7) of 1999. The Entities required to contribute 12.5% of the "contribution calculation salary" of payroll costs to the retirement benefit scheme to fund the benefits. The employees and the Government contribute 5% and 2.5% of the "contribution calculation salary" respectively, to the scheme.

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 38.

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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 year

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.

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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.

Construction work in progress with respect to real estate construction and development business of the Group is being recognised as inventory in ordinary course of business.

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	2 to 55 years
2	Factory Building	22- 65 years
3	Non-Factory Building	3 to 65 years
4	Computer & Networking	3 to 6 years
5	Furniture	5 to 10 years
6	Office Equipment	5 to 10 years
7	Vehicles	8 to 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.

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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.

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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.

f) Construction work in progress are valued at lower of cost and net realisable value.

Impairment of Inventory

Inventories are stated at the lower of cost or net realizable value. When inventories become slow-moving or obsolete, an estimate is made of their net realizable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant but which are slow moving or obsolete, are assessed collectively and provision is made according to inventories type and degree of ageing or obsolescence, based on historical selling prices

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

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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.

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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

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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

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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:

ther 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

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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.

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(ii) Cash Flow Hedges

The effective portion of changes in fair value derivatives and non-derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in standalone statement of Profit and Loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit and loss in the years when the hedged item affects profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit and loss.

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. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management.

XXII. 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.

3. 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

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To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

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.

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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.

xi) Expected credit loss

The policy for expected credit loss allowances for financial assets is based on the evaluation of collectability and the management's judgement considering external and internal sources of information. A considerable amount of judgement is required in assessing the ultimate realization of the amount receivable having regard to, the past collection history of each party, ongoing dealings with these parties, and assessment of their ability to pay the debt on designated dates.

B) Recent Accounting Pronouncements

On 24th March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a Group has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Group, loans and advances to Promoters, Directors, Key Managerial Personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the consolidated financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

Notes

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Note 4. Property, plant and equipment

₹ in crore

Description of Assets	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Computers	Office Equipment	Vehicle	Switching station	Residential complex	Leasehold improvement	External road	Railway siding	Total Property, plant and equipment
I. Cost / Deemed cost													
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	3,090.51
Additions	0.94	39.63	68.18	1.70	4.40	2.06	1.10	-	1.60	1.19	0.07	-	120.87
Deductions	-	-	(2.43)	-	(0.01)	-	(0.07)	-	-	-	-	-	(2.51)
Balance as at 31st March, 2020	**40.07**	**645.38**	**2,345.46**	**6.38**	**7.49**	**8.09**	**16.95**	**16.36**	**14.85**	**4.15**	**84.69**	**19.00**	**3,208.87**
Reclassification of land	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Exchange on translation	-	(0.02)	-	-	-	0.01	-	-	-	-	-	-	(0.01)
Additions	0.66	233.93	837.31	4.10	3.23	3.06	0.25	36.33	0.04	0.59	-	-	1,119.50
Deductions	-	(26.73)	(10.64)	(0.18)	-	(0.14)	(0.11)	-	-	-	-	-	(37.80)
Balance as at 31st March, 2021	**40.73**	**852.56**	**3,172.13**	**10.30**	**10.72**	**11.02**	**17.09**	**52.69**	**14.89**	**4.74**	**84.69**	**19.00**	**4,290.56**
II. Accumulated depreciation													
Balance as at 31st March, 2019	-	21.77	211.58	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	1.41	127.56
Eliminated on disposal of assets	-	-	(0.38)	-	-	-	-	-	-	-	-	-	(0.38)
Balance as at 31st March, 2020	**-**	**34.09**	**313.85**	**1.85**	**3.02**	**2.46**	**3.77**	**2.70**	**1.60**	**0.64**	**10.12**	**3.62**	**377.72**
Depreciation expense for the year	-	16.61	125.98	1.01	2.21	1.52	2.04	2.11	1.49	1.06	3.37	1.41	158.81
Eliminated on disposal of assets	-	(0.84)	(0.46)	(0.01)	-	(0.03)	(0.06)	-	-	-	-	-	(1.40)
Balance as at 31st March, 2021	**-**	**49.86**	**439.37**	**2.85**	**5.23**	**3.95**	**5.75**	**4.81**	**3.09**	**1.70**	**13.49**	**5.03**	**535.13**
Carrying value													
Balance as at 31st March, 2021	**40.73**	**802.70**	**2,732.76**	**7.45**	**5.49**	**7.07**	**11.34**	**47.88**	**11.80**	**3.04**	**71.20**	**13.97**	**3,755.43**
Balance as at 31st March, 2020	40.07	611.29	2,031.61	4.53	4.47	5.64	13.18	13.66	13.25	3.51	74.57	15.38	2,831.16
Useful life of the assets (years in range)	NA	3-65	2-55	5-10	3-6	5-10	8-10	35	10	5	5-25	15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	

* Refer Note 40 (j) for classwise breakup of Right of use assets

4.1 Asset include Gross Block of ₹ 612.19 crore (previous year ₹ 615.21 crore) 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 crore.

4.2 Asset include Gross Block of ₹ 413.03 crore (previous year ₹ 402.11 crore) constructed on lease land under lease agreements with JSW Steel Limited, for 20.55 Acres of land situated at Dolvi, District Raigad, Maharashtra at an annual rent of ₹ 2.30 crore.

4.3 Certain property, plant and equipment are pledged against borrowing, the detail relating to which have been described in note 20.

4.4 Property, plant and equipment include assets with net block of ₹147.89 crore (previous year ₹ 124.57 crore) for which ownership is not in the name of the Company

4.5 Capital work in progress includes finance cost ₹ NIL crore (As at 31st March, 2020: ₹ 35.90 crore).

4.6 Depreciation of ₹ 0.89 cores(As at 31st March, 2020: ₹ 0.16 crore) pertaining to project is transferred to CWIP.

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Note 5. Right of Use assets

₹ in crore

Description of Assets	Land	Property	Plant and machinery	Plant and machinery
I. Cost / Deemed cost				
Balance as at 31st March, 2019				
Reclassification of land	7.43	-	-	7.43
Additions	17.69	30.50	183.82	232.01
Deductions				
Balance as at 31st March, 2020	**25.12**	**30.50**	**183.82**	**239.44**
Additions	-	17.51	-	17.51
Deductions	0.69	2.59	9.57	12.85
Balance as at 31st March, 2021	**24.43**	**45.42**	**174.25**	**244.10**
II. Accumulated depreciation				
Balance as at 31st March, 2019				
Depreciation expense for the year	2.48	7.34	4.90	14.72
Eliminated on disposal of assets				-
Balance as at 31st March, 2020	**2.48**	**7.34**	**4.90**	**14.72**
Depreciation expense for the year	2.22	8.63	7.22	18.07
Eliminated on disposal of assets		0.92		0.92
Balance as at 31st March, 2021	**4.70**	**15.05**	**12.12**	**31.87**
Carrying value				
Balance as at 31st March, 2021	**19.73**	**30.37**	**162.13**	**212.23**
Balance as at 31st March, 2020	22.64	23.16	178.92	224.72

Note 6. Other Intangible assets

₹ in crore

Description of Assets	Software	Mining Rights	Stripping Cost	Total Intangible Assets
I. Cost / Deemed cost				
Balance as at 31st March, 2019	6.15	9.17	10.18	25.50
Additions	0.96	-	-	0.96
Deductions	-	-	-	-
Balance as at 31st March, 2020	**7.11**	**9.17**	**10.18**	**26.46**
Additions	0.29	8.82	-	9.11
Deductions	-	-	-	-
Balance as at 31st March, 2021	**7.40**	**17.99**	**10.18**	**35.58**
II. Accumulated depreciation				
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	2.56
Eliminated on disposal of assets	-	-	-	-
Balance as at 31st March, 2020	**4.33**	**0.71**	**1.33**	**6.38**
Depreciation expense for the year	1.91	0.46	0.30	2.67
Eliminated on disposal of assets	-	-	-	-
Balance as at 31st March, 2021	**6.24**	**1.17**	**1.63**	**9.04**
Carrying value				
Balance as at 31st March, 2021	**1.16**	**16.82**	**8.55**	**26.53**
Balance as at 31st March, 2020	2.78	8.46	8.85	20.09
Useful life of the assets (years in range)	3-5	50	25	
Method of amortization	SLM	SLM	SLM	

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.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Note 6A Intangible assets under development

₹ in crore

Description of Assets	As at 31st March, 2021	As at 31st March, 2020
Mining deveopment	4.99	3.80
Land & Land development	0.08	0.06
Total	**5.07**	**3.86**

Note 7. Investments (non current)

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
(A) Investment in Equity Instruments		
Quoted- others (At fair value through OCI)		
JSW Energy Limited	23.13	11.20
26,29,810 (31st March, 2020: 26,29,810) of ₹10 each fully paid-up		
(B) Investment Preference Shares		
Unquoted 8% non cumulative redeemable Preference Shares		
Everbest Consultancy Service Pvt Ltd.	35.22	-
(C) Investment Debenture		
Unquoted Zero Coupon Optionally Convertible Debentures		
JSW Sports Limited	295.50	309.00
(D) Investment in government securities (Unquoted (others) (at amortised cost))		
National Saving Certificate - Pledged with Commercial Tax Department ₹ 3,000 (31st March, 2020: ₹ 3,000)	-	-
Total (A+B+C+D)	**353.85**	**320.20**
Quoted		
Aggregate book value	23.13	11.20
Aggregate market value	23.13	11.20
Unquoted		
Aggregate carrying value	330.72	309.00
Investment at amortised cost	**295.50**	**309.00**
Investment at fair value through Profit and loss	**35.22**	**-**
Investment at fair value through other comprehensive income	**23.13**	**11.20**

Note 8. Loans

₹ in crore

Particulars	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March 2021	As at 31st March, 2020
Unsecured considered good				
Security deposits	-	1.35	2.57	2.39
Loans to:				
- Related parties *	1.83	1.83	20.01	20.59
- Other body corporates	-	-	70.09	88.25
- Others	3.00	2.00	0.85	-
Advance to employees	-	-	0.61	0.54
Total	**4.83**	**5.18**	**94.13**	**111.77**

* For business purpose: refer note 38 (h)

Note:

Considered good (Unsecured)	4.83	5.18	94.13	111.77
Loans which have significant increase in Credit Risk	-	-	-	-
Loans which are credit impaired	-	-	-	-

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Note 9. Other financial assets (unsecured, considered good)

₹ in crore

Particulars	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March 2021	As at 31st March, 2020
Interest receivable on	-	-	-	-
Loan to related party (Refer 38(h))			3.50	6.38
Investment classified as amortised cost	-	-	25.97	-
Interest receivable others	-	-	5.61	5.79
Rent receivable from related party (Refer note 38(h))			8.42	8.42
Other receivable	-	-	14.97	5.12
Insurance Claims receivable	-	-	9.31	-
Government grant income receivable	-	-	199.03	129.92
Deferred Financial asset - Investment in Preference Share	56.14	-	6.48	-
Deposit with remaining maturity of more than 12 months	0.17	5.95	-	-
Total	**56.31**	**5.95**	**273.29**	**155.63**

Note 10. Deferred tax (liabilities)/ asset (Net)

₹ in crore

Particulars	As at 31st March 2021	As at 31st March, 2020
Deferred tax asset (Refer note 38 j)	41.73	33.32
Deferred tax (liabilities)/ asset (Net) (Refer note 38j)	(352.32)	(209.73)
MAT credit entitlement	233.59	164.52
Total	**(118.73)**	**(45.21)**

Note 11. Current tax assets (net)

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance tax and Tax Deducted at Source (net)	1.56	4.47
Total	**1.56**	**4.47**

Note 12. Other assets

₹ in crore

Particulars	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March 2021	As at 31st March, 2020
Capital advances (Unsecured, considered good)	204.39	160.42	-	1.31
Other assets (Unsecured, considered good)				
Advance to suppliers	-	-	101.27	38.83
Gratuity	-	-	0.11	-
Indirect tax balances/recoverable/credits	-	3.39	79.88	58.37
Prepaid expenses	16.44	19.14	20.63	9.49
Leasehold land prepayments	4.50	5.03	-	-
Security deposits	51.34	47.83	0.77	1.23
Other receivables	-	-	11.56	7.51
Total	**276.67**	**235.81**	**214.22**	**116.74**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Note 13. Inventories

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw materials (includes stock in transit ₹ 4.37 crore; previous year : 9.75 crore) (at cost)	54.81	190.20
Semi finished goods (at cost)	18.81	30.82
Finished goods (at lower of cost and net realisable value)	67.00	80.15
Traded Goods	7.54	-
Stores and spares (at cost) (includes stock in transit ₹ 0.67 crore; previous year : 1.07) (at cost)	134.23	122.17
Fuel (at cost)	66.90	35.81
Total	**349.29**	**459.15**

Inventories have been pledged as security against certain bank borrowings of the Group as at 31st March, 2021 (refer note 20).

Cost of inventory recognised as an expense

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cost of material consumed	946.45	696.66
Changes in inventories of finished goods, semi finished goods and stock in trade	25.16	(54.84)
Stores and spares	44.20	31.04
Fuel	226.85	179.31
Total	**1,242.66**	**852.17**

Note 14. Trade Receivables

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivable considered good, Secured	80.94	94.37
Trade Receivable considered good, Unsecured	538.41	329.32
Trade receivable which have significant increase in credit risk	1.80	1.97
Trade Receivables-credit impaired	0.34	0.34
	621.49	**426.00**
Less: Allowance for expected credit loss	(2.14)	(2.31)
Total	**619.35**	**423.69**

Trade receivable are secured by the funds received from Del credere agent (refer note 27).

Trade receivables have been pledged as security against certain bank borrowings of the Group as at 31st March, 2021 (refer note 20).

Debts amounting to ₹ 11.13 crore are due by private companies in which Director is a Director.

The credit period on sales of goods ranges from 7-90 days with or without security.

Before accepting any new customer, the Company uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

Credit risk management regarding trade receivables has been described in note 37A.

Trade receivables from related parties details has been described in note 38.

Note 15. Cash and cash equivalents

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with banks in current accounts	93.45	87.36
Cash on hand	0.05	0.10
Term deposit with original maturity of less than 3 months	2.15	-
Total	**95.65**	**87.46**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Note 16. Bank balances other than cash and cash equivalents

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lien Earmarked balances*		
In term deposits	2.02	-
Margin Money	17.93	20.26
Term deposit with original maturity of more than 3 months but less than 12 months at inception	19.81	6.47
Total	**39.76**	**26.73**

* Lien for bank guarantee margin

Note 17. Derivative assets

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Forward contract	4.21	3.41
Total	**4.21**	**3.41**

Note 18. Equity Share Capital

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised Capital		
1,250,000,000 (31st March, 2020: 1,250,000,000) Equity shares of ₹ 10 each	**1,250.00**	**1,250.00**
25,000,000 (31st March, 2020: 25,000,000) Preference shares of ₹ 100 each	**250.00**	**250.00**
Issued, Subscribed & Fully Paid Up Capital		
986,352,230 (31st March, 2020: 986,352,230) Equity shares of ₹ 10 each fully paid up	986.35	986.35
Total	**986.35**	**986.35**

Note 18.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
	No. of Shares	No. of Shares
Equity shares at the beginning of the year	986,352,230	986,352,230
Add: Fresh issue of shares during the year	-	-
Equity shares at the end of the year	**986,352,230**	**986,352,230**

18.2 Rights, preferences and restrictions attached to equity shares

Equity Shares: The Parent Company has a single class of 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.

Note 18.3 Details of aggregate shareholding by holding Company

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Adarsh Advisory Services Private Limited - Holding Company		
893,067,550 (31st March, 2020 893,067,550) Equity Shares of ₹ 10 each	893.07	893.07

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

18.4 Shareholders holding more than 5% of aggregate equity share in the Company

₹ in crore

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	% of holding	Number of shares	% of holding
Equity shareholding				
Adarsh Advisory Services Private Limited - Holding Company	893,067,550	90.54%	893,067,550	90.54%

18.5 Shares alloted by Company for consideration other than cash : Nil

Note 19. Other equity

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Retained earning	735.80	478.67
Share option outstanding reserve	40.87	6.11
Security Premium	52.07	52.07
Capital Reserve	8.12	8.12
Legal Reserve	3.95	1.91
Other comprehensive income:		
Foreign currency translation reserve	10.04	15.66
Cash Flow Hedge Reserve	4.21	-
Equity instruments through other comprehensive income	(15.93)	(23.00)
Total	**839.13**	**539.54**

Retained earning

Retained earnings comprise balances of accumulated (undistributed) profit and loss at each year end and balances of remeasurement of net defined benefit plans.

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 crore and amalgation reserve amounting ₹ 5.66 crore 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.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

20. Non Current Borrowings (at amortised cost)

₹ in crore

Particulars	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March 2021	As at 31st March, 2020
Term Loans				
Secured				
From banks	2,133.49	2,193.68	408.14	428.89
Less: Unamortised upfront fees on borrowings	(9.76)	(10.10)	(3.58)	(3.63)
Total	**2,123.73**	**2,183.58**	**404.56**	**425.26**

Rupee Term Loan from banks (Secured)

As on 31st March, 2021		As on 31st March, 2020		Terms of Repayment*	Security
Non-current	Current	Non-current	Current		
472.13	48.01	510.79	45.75	Two Quarterly Installments of ₹ 11.44 Cr till 30.09.2021 and one installment of ₹ 11.78 Cr on 31.12.2021; Three Quarterly Installments of ₹ 13.34 Cr till 30.09.2022 and one installment of ₹ 16.44 Cr on 31.12.2022; Three Quarterly Installments of ₹ 30.50 Cr till 30.09.2023 and one installment of ₹ 31.88 Cr on 31.12.2023; Three Quarterly Installments of ₹ 38.12 Cr till 30.09.2024 and one installment of ₹ 38.47 Cr on 31.12.2024; Three Quarterly Installments of ₹ 40.03 Cr till 30.09.2025 and one installment of ₹ 32.73 Cr on 31.12.2025.	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.
72.45	108.10	162.04	81.07	Six Quarterly Installments of ₹ 27.02 Cr till 14.07.2022 and one installment of ₹ 18.28 Cr on 14.10.2022	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.
237.72	31.49	289.00	-	Three Quarterly Installments of ₹ 7.67 Cr till 31.12.2021 and one installment of ₹ 8.49 Cr on 31.03.2022; Three Quarterly Installments of ₹ 8.80 Cr till 31.12.2022 and one installment of ₹ 9.63 Cr on 31.03.2023; Three Quarterly Installments of ₹ 10.26 Cr till 31.12.2023 and one installment of ₹ 11.08 Cr on 31.03.2024; Four Quarterly Installments of ₹ 11.71 Cr till 31.03.2025; Seven Quarterly Installments of ₹ 12.33 Cr till 31.12.2026; Five Quarterly Installments of ₹ 5.33 Cr till 31.03.2028.	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.
621.78	86.79	667.18	82.94	₹19.8 Cr on 30.06.2021; ₹21.3 Cr on 30.09.2021; ₹ 21.3 Cr on 31.12.2021; ₹24.4 Cr on 31.03.2022; ₹ 24.7 Cr on 30.06.2022; ₹ 24.8 Cr on 30.09.2022; ₹ 24.8 Cr on 31.12.2022; ₹ 27.9 Cr on 31.03.2023; ₹ 28.5 Cr on 30.06.2023; ₹ 28.8 Cr on 30.09.2023; ₹ 28.8 Cr on 31.12.2023; ₹ 31.9 Cr on 31.03.2024; ₹ 32.4 Cr on 30.06.2024; ₹ 32.7 Cr on 30.09.2024; ₹ 32.7 Cr on 31.12.2024; ₹ 32.7 Cr on 31.03.2025; ₹ 33.2 Cr on 30.06.2025; ₹ 33.5 Cr on 30.09.2025; ₹ 33.5 Cr on 31.12.2025; ₹ 33.5 Cr on 31.03.2026; ₹ 33.5 Cr on 30.06.2026; ₹ 33.5 Cr on 30.09.2026; ₹ 33.4 Cr on 31.12.2026; ₹ 6.9 Cr on 31.03.2027; ₹ 6.9 Cr on 30.06.2027; ₹ 6.9 Cr on 30.09.2027; ₹ 6.9 Cr on 31.12.2027; ₹ 6.9 Cr on 31.03.2028; ₹ 2.5 Cr on 30.06.2028.	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.
95.88	47.94	143.83	47.95	Twelve Quarterly repayments of ₹ 11.985 Cr till 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.
133.59	23.44	160.55	19.95	₹ 5.23 Cr on 30.06.2021; ₹ 5.88 Cr on 30.09.2021;Three Quarterly Installments of ₹ 6.18 Cr till 31.06.2023 and one installment of ₹ 6.83 Cr on 30.09.2023;Three Quarterly Installments of ₹ 7.13 Cr till 31.06.2023 and one installment of ₹ 7.78 Cr on 30.09.2023; Eleven Quarterly Installments of ₹ 8.08 Cr till 30.06.2026 and one installment of ₹ 2.55 Cr on 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
-	-	-	29.00	Repaid on 22.03.2021	
60.00	20.00	80.00	20.00	Sixteen Quarterly Installments of ₹ 5.00 Cr till 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
5.70	3.58	8.53	3.27	30 Equated Monthly Installement (EMI) starting from April 2021 to Sep 2023.Principle repayment Qtr June 21: ₹ 0.85 crore Qtr Sep 21: ₹ 0.87 crore Qtr Dec 21: ₹ 0.89 crore Qtr March 22: ₹ 0.91 crore Qtr June 22: ₹ 0.93 crore Qtr Sep 22: ₹ 0.95 crore Qtr Dec 22: ₹ 0.97 crore Qtr March 23: ₹ 0.99 crore Qtr June 23: ₹ 1.02 crore Qtr Sep 23: ₹ .91 crore	Secured by way of deed of hypothecation on Commercial Vehicle of the Group.
434.25	38.79	171.76	98.96	40 Quarterly Installement starting from June 2021 to June 2029. Qtr June 21: ₹ 9.53 crore, Qtr Sep 21: ₹ 9.53 crore, Qtr Dec 21: ₹ 9.53 crore, Qtr March 22: ₹ 9.53 crore Qtr June 22: ₹ 9.53 crore Qtr Sep 22: ₹ 9.53 crore Qtr Dec 22: ₹ 9.53 crore Qtr March 23: ₹ 9.53 crore Qtr June 23: ₹ 10.72 crore Qtr Sep 23: ₹ 10.72 crore Qtr Dec 23: ₹ 10.72 crore Qtr March 24: ₹ 10.72 crore Qtr June 24: ₹ 10.72crore Qtr Sep 24: ₹ 10.72 crore Qtr Dec 24: ₹ 10.72 crore Qtr March 25: ₹ 10.72 crore Qtr June 25: ₹ 10.72crore Qtr Sep 25: ₹ 10.72 crore Qtr Dec 25: ₹ 10.72 crore Qtr March 26: ₹ 10.72 crore Qtr June 26: ₹ 11.91 crore Qtr Sep 26: ₹ 11.91 crore Qtr Dec 26: ₹ 11.91 crore Qtr March 27: ₹ 11.91 crore Qtr June 27: ₹ 11.91 crore Qtr Sep 27: ₹ 11.91 crore Qtr Dec 27: ₹ 11.91 crore Qtr March 28: ₹ 11.91 crore Qtr June 28: ₹ 13.09 crore Sep 28: ₹ 13.09 crore Qtr Dec 28: ₹ 13.09 crore Qtr March 29: ₹ 13.09 crore Qtr June 29: ₹ 14.29 crore Qtr Sep 29: ₹ 14.29 crore Qtr Dec 29: ₹ 14.29 crore Qtr March 30: ₹ 14.29 crore Qtr June 30: ₹ 14.29 crore Sep 30: ₹ 14.29 crore Qtr Dec 30: ₹ 14.29 crore Qtr March 31: ₹ 14.29 crore	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.
2,133.49	**408.14**	**2,193.68**	**428.89**		

* Borrowing have been drawn at rate of interest at 8.10% - 8.93% for loan in INR and interest rate of 3M LIBOR +325 bps on loan in USD: i.e:3.40%

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Note 21. Lease Liabilities

₹ in crore

Particulars	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March 2021	As at 31st March, 2020
Lease liabiity	190.74	201.53	14.93	12.63
Total	**190.74**	**201.53**	**14.93**	**12.63**

Lease liabilities

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Lease liability	214.16	-
Additions	29.37	240.80
Interest accrued	16.78	15.14
Lease principal payments	(41.48)	(31.47)
Lease interest payments	(16.78)	(15.14)
Others	3.62	4.83
Closing Lease liability	**205.67**	**214.16**
Current	**14.93**	**12.63**
Non Current	**190.74**	**201.53**

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2021 on an undiscounted basis:

₹ in crore

Particulars	As at 31st March, 2021
Less than 1 years	34.02
1-5 years	121.88
more than 5 years	267.88
Total	**423.78**

Note 22. Other non-current financial liabilities

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Payable for capital Project	5.94	20.79
Share based payment payable	5.34	-
Total	**11.28**	**20.79**

Note 23. Provisions

₹ in crore

Particulars	Non Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits				
Gratuity (Refer note 38 f)	1.47	2.82	0.33	0.29
Leave encashment (Refer note 38 f)	9.86	7.72	0.03	0.03
Other provisions				
Mines restoration expenditure	37.96	27.34	-	-
Total	**49.29**	**37.88**	**0.36**	**0.32**

Note 23.1 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:

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Mines Restoration expenditure (to be settled at Mines closure)		
Opening Balance	27.34	25.92
Add: Unwinding of discount on mine restoration expenditure	2.26	2.26
Add: Additional asset created on account of revision of estimates	8.82	-
Add: Reversal of provision	(0.46)	(0.84)
Closing Balance	**37.96**	**27.34**

Site restoration expenditure is incurred on an ongoing basis until the closure of the site. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

Note 24. Current Borrowings (at amortised cost)

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured loans		
Loan repayable on demand		
From bank -working capital loan	285.30	177.26
Unsecured loans		
Loan repayable on demand		
From bank -working capital loan	245.00	170.00
From Related parties	80.00	-
Commercial Papers	50.00	-
Total	**660.30**	**347.26**

Note 24.1 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.

Secured 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	8.55% to 8.60%
Short Term Loan	7.65% to 9.25%
Commercial Paper - NBFC	7.90%

Note 25. Trade Payables

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of Micro enterprise and Small enterprise	20.53	6.15
Total outstanding dues of creditors other than Micro enterprises and small enterprises		
Acceptances	214.66	208.34
Other than acceptances	678.41	573.29
Total	**913.60**	**787.78**

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 38(p) for disclosure under Micro, Small and Medium enterprises Development Act.

Refer note 38 (h) with respect to amount payable to Related Parties.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Note 26. Derivative liability

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Forward contract (refer note 38 e)	0.23	-
Total	**0.23**	**-**

Note 27. Other current financial liabilities

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current maturities of long-term borrowings (refer note 20)	404.57	425.27
Interest accrued but not due on borrowings	0.22	20.72
Payable for capital projects		
- Acceptances	22.48	75.77
- Other than acceptances	205.64	228.62
Security Deposit received	193.55	132.72
Share based payments payable	4.87	-
Del Credre Finance payable	80.94	94.37
Total	**912.27**	**977.47**

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.

Note 28. Other current liabilities

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current dues of long-term employee benefits	1.84	1.55
Advances from customers	18.56	12.04
Statutory liabilities	99.47	43.97
Provision of Income Tax (Net of TDS and Advance Tax)	9.31	-
Other Payables	0.43	1.97
Total	**129.61**	**59.53**

Note 29. Revenue From Operations

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Sale of Products		
Finished goods	3,649.34	2,857.03
Traded	119.49	8.98
Other operating revenue		
Scrap sale	18.79	16.59
Government grant income (refer note 2 (x))	70.53	44.91
Revenue from operations	**3,858.15**	**2,927.51**

Refer note 38 (n) for details of contract liability

Incentive under west bengal incentive scheme

The Parent Company unit at Salboni in West Bengal is eligible for incentives under the State Industrial Policy in the form of SGST refunds. The Company recognises income based on eligibility to the extent of 90% of SGST paid by it in cash from government of West Bengal.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Reconciliation of Revenue from sale of products with the contracted price

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Contracted Price	4,180.10	3,137.02
Less: Trade Discount, Volume, Rebate etc.	(411.27)	(271.01)
Sale of Products	**3,768.83**	**2,866.01**

Note 30. Other Income

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest income from loan to Related party (refer note 38 (h))	0.35	27.27
Interest income from Others	8.97	5.14
Dividend income from non current investments designated at FVTOCI	0.24	0.39
Interest on Debentures	28.41	-
Write Back of excess provision	7.54	4.68
Job Work Income	3.75	-
Insurance claim income	12.11	0.87
Miscellaneous income	4.11	2.01
Total	**65.48**	**40.36**

Note 31. Cost of raw material consumed

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Inventory at the beginning of the year	190.20	117.17
Add : Purchases	811.06	769.69
Less: Inventory at the end of the year	(54.81)	(190.20)
Total	**946.45**	**696.66**

Note 32. Purchases of Stock in trade

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Granulated Blast Furnace Slag	8.55	-
Cement	19.09	-
Total	**27.64**	**-**

Note 33. Changes in inventories of finished goods, work-in-progress and stock-in-trade

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Inventories at the beginning of the year		
Finished goods	80.15	41.26
Semi finished goods	30.82	14.87
	110.97	**56.13**
Inventories at the end of the year		
Finished goods	66.99	80.15
Semi finished goods	18.82	30.82
Total Inventories at the end of the year	**85.81**	**110.97**
Total	**25.16**	**(54.84)**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Note 34. Employee benefits expense

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries and wages	182.76	161.39
Employee stock option expense	9.57	2.42
Contributions to provident fund and other funds (Refer note 38 f)	6.59	6.19
Gratuity expense (Refer note 38 f)	2.31	1.76
Staff welfare expenses	3.84	3.48
Total	**205.07**	**175.24**

Note 35. Other expenses

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Consumption of stores and spares	44.20	31.04
Packing Cost	105.61	75.41
Repairs and maintenance expenses:		
-Repairs to buildings	2.43	1.73
-Repairs to machinery	45.23	43.38
-Job Work charges	10.61	-
-Others	10.79	6.51
Rent	8.02	2.48
Rates and taxes	4.20	3.61
Insurance	9.34	4.07
Legal & professional	37.37	13.89
Advertisement & publicity	52.80	48.14
Commission on sales	50.72	45.28
Rebates & discounts	8.55	30.41
Selling & distribution expenses	7.95	5.53
Branding fees	5.02	6.90
Auditors remuneration (Refer note 38 k)	0.36	0.42
Loss on sale of Property, Plant and Equipment	6.81	1.49
Postage & telephone	1.78	1.24
Printing & stationery	0.71	0.63
Travelling expenses	17.39	29.20
Corporate social responsibility expense (Refer note 38 O)	4.88	3.82
Software and IT related expenses	3.42	3.26
Net loss on foreign currency translation and transactions	0.79	6.05
Donation	1.79	5.41
Miscellaneous expenses	151.74	67.81
Total	**592.51**	**437.71**

Note 36. Finance Costs

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest expenses	260.06	244.38
Interest on finance lease	16.36	15.13
Unwinding of interest on financial liabilities carried at amortised cost	3.65	2.87
Unwinding of discount on mines restoration expenditure	2.66	2.32
Deferred Financial asset expenses	2.16	-
Other borrowing cost	5.76	3.03
Total	**290.65**	**267.73**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Note 37. Depreciation And Amortization Expense

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Depreciation on Property, plant and equipment	166.57	134.72
Depreciation of Asset constructed on property not owned by Group	9.44	7.40
Amortization of Intangible assets	2.67	2.54
Total	**178.68**	**144.66**

Note 37A. 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.

₹ in crore

Particulars	31st March, 2021	31st March, 2020
Long term borrowings	2,123.73	2,183.58
Current maturities of long term debt	404.56	425.26
Short term borrowings	660.30	347.26
Less: Cash and cash equivalent	(95.65)	(87.46)
Less: Bank balances other than cash and cash equivalents	(39.76)	(26.73)
Less: Current investment	-	-
Net Debt	**3,053.18**	**2,841.91**
Total Equity	**1,825.48**	**1,525.89**
Gearing ratio	**1.67**	**1.86**

(i) Equity includes all capital and reserves of the Company that are managed as capital (Refer note 18 and 19)

(ii) Debt is defined as long-term and short-term borrowings. (refer note 20 and 24)

B. Categories of financial instruments

₹ in crore

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	95.65	95.65	87.46	87.46
Bank balances other than cash and cash equivalents	39.76	39.76	26.73	26.73
Trade receivables	619.35	619.35	423.69	423.69
Loans	98.96	98.96	116.95	116.95
Other financial assets	333.81	333.81	164.99	164.99
Non current investments	295.50	295.50	309.00	309.00
Total financial assets at amortised cost (A)	**1,483.03**	**1,483.03**	**1,128.82**	**1,128.82**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	As at 31st March, 2021		Current	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Measured at fair value through other Profit and Loss				
Non current investments	35.22	35.22	-	-
Total financial assets at fair value through Profit and Loss (B)	**35.22**	**35.22**	**-**	**-**
Measured at fair value through other comprehensive income				
Non current investments	23.13	23.13	11.20	11.20
Total financial assets at fair value through other comprehensive income (C)	**23.13**	**23.13**	**11.20**	**11.20**
Total Financial assets (A+B+C)	**1,541.38**	**1,541.38**	**1,140.02**	**1,140.02**
Financial liabilities				
Measured at amortised cost				
Long term borrowings#	2,528.29	2,528.29	2,608.84	2,608.84
Short term borrowings	660.30	660.30	347.26	347.26
Trade payable	913.60	913.60	787.78	787.78
Other financial liabilities	724.89	724.89	787.15	787.15
Total financial liabilities at amortised cost	**4,827.08**	**4,827.08**	**4,531.03**	**4,531.03**

including current maturities of long term debt

Fair value hierarchy of financial instruments

₹ in crore

Particulars	31st March, 2021	31st March, 2020	Fair value hierarchy	Valuation technique(s) and key input(s)
Investment in Equity Shares measured at FVTOCI	23.13	11.20	Level 1	Quoted Bid Prices in an active market.
Investment in Preference shares measured at FVTPL	35.22	-	Level 3	Inputs other than Quoted prices included within Level 1 that are observable for an Asset or Liability either directly or indirectly.
Derivative (Assets)/ Liabilities	(3.98)	(3.41)	Level 2	Inputs other than Quoted prices included within Level 1 that are observable for an Asset or Liability either directly or indirectly.

Sensitivity analysis of Level 3:

₹ in crore

Particulars	Valuation Technique	Significant unobservable inputs	Change	Sensitivity of the input of fair value
Investment in Preference shares	DCF Method	Discounting Rate of 11%	0.5%	0.5% Increase (decrease) in the discount would decrease (increase) the fair value of ₹ 1.6 crore

Reconciliation of Level 3 Fair Value Measurement

₹ in crore

Particulars	Amount (₹)
Balance as on 31st March, 2020	-
Addition made during the year	100.00
Allowance for loss(deferred)	64.78
Balance as on 31st March, 2021	35.22

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.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Details of Financial assets/ liabilities measured at amortized cost but fair value disclosed in category wise

₹ in crore

Particulars	31st March, 2021	31st March, 2020	Fair value hierarchy	Valuation technique(s) and key input(s)
Investment in Optionally Convertible Debentures				
Carrying value	295.50	309.00		Inputs other than Quoted prices included within
Fair value	295.50	309.00	Level 2	Level 1 that are observable for an Asset or Liability either directly or indirectly.
Loans				
Carrying value	94.93	112.67		Inputs other than Quoted prices included within
Fair value	94.93	112.67	Level 2	Level 1 that are observable for an Asset or Liability either directly or indirectly.
Long term borrowings				
Carrying value	2,528.29	2,608.84		Inputs other than Quoted prices included within
Fair value	2,541.63	2,622.57	Level 2	Level 1 that are observable for an Asset or Liability either directly or indirectly.

C. 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.

D. 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 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.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

The following table provides a break-up of the Company's fixed and floating rate borrowing:

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed rate borrowings	164.28	11.81
Floating rate borrowings	2,377.35	2,597.03
Total borrowings	**2,541.63**	**2,608.84**
Total Net borrowing	2,528.29	2,595.11
Add: Upfront fees	13.34	13.73
Total borrowings	**2,541.63**	**2,608.84**

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, 2021 would decrease / increase by ₹ 31.77 crore (for the year ended 31st March, 2020: decrease / increase by ₹ 26.03 crore). 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 2.19%.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:

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	1.97	0.65
Change in allowance for trade receivable which have significant increase in credit risk	-	1.32
Trade receivable written off during the year	0.10	-
Balance as at the end of the year	**1.87**	**1.97**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Ageing of Receivables:

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
0-6 months	511.99	295.71
6-12 months	1.51	12.32
>12 months	16.77	12.43

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, 2021 and 31st March, 2020 is the carrying amounts mentioned in Note no 15.

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, 2021

₹ in crore

Particulars	Contractual cash flows			
	< 1 year	1-5 year	> 5 years	Total
Financial assets				
Cash and cash equivalents	95.65	-	-	95.65
Bank balances other than cash and cash equivalents	39.76	-	-	39.76
Trade receivables	619.35	-	-	619.35
Loans	94.13	4.83	-	98.96
Non current investments	-	-	353.85	353.85
Other financial assets	277.50	56.31	-	333.81
Total Financial assets	**1,126.39**	**61.14**	**353.85**	**1,541.38**
Financial liabilities				
Long term borrowings	-	1,649.86	473.87	2,123.73
Short term borrowings	660.30	-	-	660.30
Trade payable	913.60	-	-	913.60
Other financial liabilities	927.43	202.02	-	1,129.45
Total financial liabilities	**2,501.33**	**1,851.88**	**473.87**	**4,827.08**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Liquidity exposure as at 31st March, 2020

₹ in crore

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	159.04	5.95	-	164.99
Total Financial assets	**808.69**	**11.13**	**320.20**	**1,140.02**
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**

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.

v. Foreign currency risk management

The Parent Company'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, 2021

₹ in crore

Particulars	CHF	USD	EURO	AED	INR	Total
Financial assets						
Cash and cash equivalents	-	-	-	31.43	64.22	95.65
Bank balances other than cash and cash equivalents	-	-	-	22.20	17.56	39.76
Trade receivables	-	-	-	93.08	526.27	619.35
Loans	-	-	-	0.14	98.82	98.96
Non current investments	-	-	-	-	353.85	353.85
Other financial assets	-	-	-	4.22	329.59	333.81
Total Financial assets	**-**	**-**	**-**	**151.07**	**1,390.31**	**1,541.38**
Financial liabilities						
Long term borrowings	-	429.12	-	-	1,694.61	2,123.73
Short term borrowings	-	-	-	-	660.30	660.30
Trade payable	-	6.77	0.07	174.8	731.96	913.60
Other financial liabilities	-	37.70	-	134.66	957.09	1,129.45
Total financial liabilities	**-**	**473.59**	**0.07**	**309.46**	**4,043.96**	**4,827.08**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Currency exposure as at 31st March, 2020

₹ in crore

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	164.98	164.99
Total Financial assets	**-**	**-**	**-**	**50.69**	**1,089.33**	**1,140.02**
Financial liabilities						
Long term borrowings	-	-	-	266.8	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	1,120.10	1,212.40
Total financial liabilities	**0.03**	**1.86**	**2.53**	**482.70**	**4,043.92**	**4,531.04**

Vi) 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, 2021 would decrease / increase by ₹ 3.06 crore (for the year ended 31st March, 2020: decrease / increase by ₹ 4.71 crore).

Note 38. OTHER NOTES

a) Contingent liabilities not provided for in respect of disputed claims/ levies:

₹ in crore

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
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	52.40	47.71
iii)	Cess under the Building and other Constructions Workers Act, 1946	2.00	2.00
iv)	VAT exemption on sales made to SEZ unit & Other VAT/CST related Matter	1.35	1.35
v)	Entry Tax	0.06	0.09
vi)	Income Tax	5.00	5.05
vii)	Compensation for excess mining of Limestone	18.58	-
	Total	**101.89**	**78.70**

b) Commitments:

₹ in crore

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
i)	Estimated amount of Contract remaining to be executed on capital accounts and not provided for (net of advances)	670.34	702.89

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.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

d) Employee Share Based Payments Plans:

The Parent Company has provided share-based payment schemes to its employees.

The shareholders of the Parent Company in their meeting held on March 30, 2016 formulated the JSW Cement Employee Stock Ownership Plan- 2016 ('ESOP Plan 2016') which was amended by the shareholders in their Extra-Ordinary General Meeting held on 21st May, 2016 and further amended in Extra-Ordinary General Meeting held on 30th May, 2017. Under the ESOP Plan 2016, all Employees designated as Junior Manager (L08) and above based on defined criteria were to get maximum five annual grants on Grant 1 on 1st April ,2016, Grant 2 on 1st April, 2017, Grant 3 on 1st April, 2018, Grant 4 on 1st April, 2019 & Grant 5 on 1st April, 2020 and the total numbers of grants available under ESOP Plan 2016 were 2,95,90,567.

In last five years, the Parent Company has grown substantially and new employees have joined and are working in the Parent Company. With an intent that all the employees working for the Parent Company have to benefit from the ESOP Plan, the ESOP Committee in its meeting held on 25th March 2021 approved to scrap Grant 4 & Grant 5 under ESOP Plan 2016, keeping all other conditions in this plan unchanged and suggested to introduce a new plan for all employees of the Parent Company.

The status of three grants under this plan with other relevant terms are as follows:

Particulars	FY 2016-17 (Grant 1)	FY 2017-18 (Grant 2)	FY 2018-19 (Grant 3)
Date of Grant	1st April, 2016	1st April, 2017	1st April, 2018
Vesting Period	1 year i.e. from 01.04.2016 to 31.03.2017	50% in 3 years i.e. from 01.04.2017 to 31.03.2020 50% in 4 years i.e. from 01.04.2017 to 31.03.2021	50% in 3 years i.e. from 01.04.2018 to 31.03.2021 50% in 4 years i.e. from 01.04.2018 to 31.03.2022
Option Granted on 1st April	56,20,950	56,15,072	1,34,88,024
Options Lapsed (upto FY 2018-19)	6,67,791	12,01,314	14,42,517
Options forfeited (by cash payout) (upto FY 2018-19)	8,88,009	-	-
Options Outstanding (01.04.2019) Vested Unvested	40,65150 40,65150 NIL	44,13,929 NIL 44,13,758	1,20,45,507 NIL 1,20,45,507
Options Lapsed (FY 2019-20)	-	2,75,829	10,68,610
Options outstanding (31.03.2020)	40,65,150	41,37,929	1,09,76,897
Vested	40,65,150	20,68,965	-
Unvested	-	20,68,964	1,09,76,897
Options lapsed (FY 2020-21)	-	63,396	6,17846
Options forfeited (to be settled by cash) (FY 2020-21)	8,64,701	3,30,127	4,08,717
Options outstanding (31.03.2021) Vested Unvested	32,00,449 32,00,449 -	37,44,406 37,44,406 -	99,50,334 49,75,167 49,75,167
Method of settlement (on vesting)	Equity Settled	Equity Settled	Equity Settled
Exercise Price (₹ per share)	68.70	68.50	42.77
Fair Value on date of grant	43.24	40.49	23.49
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are
Weighted average values of the share price	Not Applicable	Not Applicable	Not Applicable
Expected Volatility	Average rate of 28% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry	Average rate of 28% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry	Average rate of 28% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry
Expected Option life	7 years	6 years	5 years

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To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Particulars	FY 2016-17 (Grant 1)	FY 2017-18 (Grant 2)	FY 2018-19 (Grant 3)
Risk-Free Interest rate	5.00% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.	5.00% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.	5.00% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.
The method used and the assumptions made to incorporate the effects of early exercise	Black Scholes option pricing model	Black Scholes option pricing model	Black Scholes option pricing model
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility Whether and how any other features of the option grant were incorporated into the measurement of the fair value, such as market condition	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life

Based on the change in ESOP Plan 2016, in current financial year, the Parent Company has estimated and recognized the total liability for the three grants.

Expenses related to current financial year is debited to Profit & Loss Account ₹ 9.57 crore (Previous Year ₹ 2.42 crore). Cumulative effect due to change in the ESOP plan in current financial year is recognized as an Exceptional items amounting to ₹ 35.40 crore.

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 Company and outstanding are as under:

As at	No. of Contracts	Type	USD equivalent (million)	₹ crore equivalent
31st March,2021	2	Buy	9.71	71.93
31st March,2020	4	Buy	11.62	87.88

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)	₹ crore equivalent
a)	Import of Raw material & Fuel			
	As at 31st March, 2021	0.01	0.92	6.84
	As at 31st March, 2020	-	-	-
b)	Supplier's/ Buyers' Credit			
	As at 31st March, 2021	-	-	-
	As at 31st March, 2020	-	1.69	12.71
c)	Interest Accrued but not due on Suppliers'/ Buyers' Credit			
	As at 31st March, 2021	-	-	-
	As at 31st March, 2020	-	0.10	0.75

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)	₹ crore equivalent
a)	Suppliers'/ Buyers' Credit		
	As at 31st March, 2021	9.69	71.79
	As at 31st March, 2020	11.58	87.59
b)	Interest Accrued but not due on Suppliers'/ Buyers' Credit		
	As at 31st March, 2021	0.02	0.14
	As at 31st March, 2020	0.02	0.16

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

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, 2021 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:

₹ in crore

Particulars	As at 31st March, 2021 Funded	As at 31st March, 2020 Funded
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	9.47	7.28
Acquisition adjustment		
Service Cost	1.84	1.60
Interest Cost	0.64	0.56
Actuarial (gain)/loss on obligation	(0.73)	0.59
Benefits paid	(0.27)	(0.56)
Closing Balance	**10.95**	**9.47**
b. Fair Value of Plan assets:		
Opening Balance of Fair Value of Plan Assets	7.78	6.21
Expected Return on Plan assets less loss on investments	0.53	0.48
Actuarial gain / (loss) on Plan Assets	0.26	(0.09)
Employers' Contribution	2.76	1.75
Benefits paid	(0.27)	(0.57)
Closing Balance	**11.06**	**7.78**
c. Net Asset/(Liability) recognized in the Balance Sheet:		
Present Value of obligations	(10.95)	(9.47)
Fair Value of plan asset	11.06	7.78
Net Asset/(Liability) recognized in the Balance Sheet (Refer Note 12 and 23)	**0.11**	**(1.69)**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	As at 31st March, 2021 Funded	As at 31st March, 2020 Funded
d. Expenses during the Year:		
Service cost	1.84	1.60
Interest cost	0.64	0.56
Expected Return on Plan assets	(0.53)	(0.48)
Component of defined benefit cost recognized in the statement of Profit & Loss	**1.95**	**1.68**
Component of defined benefit cost recognized in Other comprehensive income	**(1.00)**	**0.69**
e. Break up of Plan Assets as a percentage of total plan assets:		
Insurer Managed Funds - Value (99.37%) Bank (0.63%)	10.99	7.78
f. Principal actuarial assumptions:		
Rate of Discounting	6.8%	6.8%
Rate of increase in salaries	6.0%	6.0%
Attrition Rate	2.0%	2.0%
g. Breakup of Plan Assets		
HDFC Group Unit Linked Plan - Option B	1.24	1.18
HDFC Life Stable Management Fund	1.23	1.16
HDFC Life Defensive Managed Fund	0.71	0.62
Canara HSBC OBC Life Group Traditional Plan	7.81	4.81
Bank Balance	0.07	0.01
Total	**11.06**	**7.78**

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 ₹ 2.76 crore (Previous Year ₹ 1.75 crore).

iv) Experience adjustments

₹ in crore

Particulars	As at 31st March, 2021 Funded	As at 31st March, 2020 Funded	As at 31st March, 2019 Funded	As at 31st March, 2018 Funded	As at 31st March, 2017 Funded
Defined Benefit Obligation	10.95	9.47	7.28	5.71	4.32
Plan Assets	11.06	7.78	6.21	4.14	3.12
Deficit	0.11	(1.69)	(1.07)	(1.57)	(1.20)
Experience Adjustments on Plan Liabilities-Loss/(Gain)	(0.73)	(0.30)	0.08	0.61	0.15
Experience Adjustments on Plan Assets-Loss/(Gain)	-	0.09	(0.05)	(0.01)	(0.10)

a) The Group expects to contribute 1.98 crore 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.

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To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

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.

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(9.85)	12.24	(8.48)	10.64
Future salary growth (1% movement)	12.24	(9.83)	10.64	(8.47)
Attrition rate (50% attrition rate)	10.99	(10.89)	9.49	(9.44)
Mortality rate (10% mortality rate)	10.95	10.94	9.47	9.47

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

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Weighted average duration (based on discounted cash-flows)	11 Years	12 Years
1 Year	0.43	0.41
2 to 5 Year	3.11	2.25
6 to 10 Year	4.18	3.87
More than 10 Years	19.29	17.60

vii) Defined Benefit Plans – Gratuity: Non-Funded

₹ in crore

Particulars	As at 31st March 2021 Non- Funded	As at 31st March 2020 Non-Funded
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	1.59	1.27
Acquisition adjustment		-
Service Cost	0.09	0.08
Interest Cost	0.10	0.10
Actuarial (gain)/loss on obligation	(0.11)	0.26
Benefits paid	(0.22)	(0.12)
Closing Balance	**1.45**	**1.59**
b. Net Asset/(Liability) recognised in the Consolidated Balance Sheet:		
Present Value of obligations	(1.45)	(1.59)
Fair Value of plan asset	-	-
Net Asset/(Liability) recognised in the Consolidated Balance Sheet	**(1.45)**	**(1.59)**
c. Expenses during the Year:		
Service cost	0.09	0.08
Interest cost	0.10	0.10
Expected Return on Plan assets	-	-
Component of defined benefit cost recognized in the Consolidated Statement of Profit & Loss	0.19	0.18
Component of defined benefit cost recognized in Consolidated Other comprehensive income	(0.11)	0.19
Total	**0.08**	**0.37**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	As at 31st March 2021 Non- Funded	As at 31st March 2020 Non-Funded
d. Principal actuarial assumptions:		
Rate of Discounting	6.35% p.a.	6.2% 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

₹ in crore

Particulars	As at 31st March, 2021 Unfunded	As at 31st March, 2020 Unfunded	As at 31st March, 2019 Unfunded	As at 31st March, 2018 Unfunded	As at 31st March, 2017 Unfunded
Defined Benefit Obligation	1.45	1.60	1.27	1.19	1.38
Deficit	(1.45)	(1.60)	(1.27)	(1.19)	(1.38)
Experience Adjustments on Plan Liabilities-Loss/(Gain)	0.10	0.15	-	0.01	0.01
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.

₹ in crore

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	1.37	1.55	1.51	1.70
Future salary growth (1% movement)	1.55	1.37	1.70	1.51
Attrition rate (1% movement)	1.46	1.45	1.60	1.60
Mortality rate (1% movement)	1.45	1.45	1.60	1.60

iii) Maturity profile of defined benefit obligation

Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31st March, 2021	0.33	0.77	1.29	2.39
As at 31st March, 2020	0.29	0.93	1.32	2.55

iv) Employee End of Service Benefit

Employee end of Service Benefit	As at 31st March, 2021	As at 31st March, 2020
Balance at the Beginning of the Year	0.50	0.08
Add- Charge of the period	0.43	0.42
Less- Paid during the period	-	-
Balance end of the period as on 31st March, 2020	**0.93**	**0.50**

Amounts 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 that date.

A liability is recognised for benefits accruing to employees in respect to wages and salaries, annual leaves in the period the related services are rendered at the undiscounted amount of benefits expected to be paid in exchange for that services.

The Subsidiary Company have provided end of service liability as a gratuity payable and leave encashment payable in the books as per applicable UAE LAW.

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To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

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 ₹ 4.50 crore (Previous Year ₹ 5.78 crore)

Group's contribution to ESIC recognized in Consolidated Statement of Profit and Loss ₹ 0.01 crore (Previous Year ₹ 0.10 crore).

viii) Compensated Absences

Assumptions used in accounting for compensated absences

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Present value of obligation	11.15	8.61
Expense recognized in Consolidated Statement of Profit or loss	4.26	3.16
Discount rate (p.a.)	6.35 to 6.80%	6.20 to 6.80%
Salary escalation (p.a.)	6.00%	6.00%

vii) The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect.

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

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Within India	3642.43	2923.36
Outside India	215.72	4.15
Total	**3858.15**	**2927.51**

Revenue from operations have been allocated on the basis of location of customers.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

b) Non-current operating assets

₹ in crore

Particulars	As at As at 31st March, 2021			As at 31st March, 2020		
ASSETS	Within India	Outside India	Total	Within India	Outside India	Total
(a) Property, plant and equipment	3,110.77	644.66	3755.43	2,830.72	0.44	2,831.16
(b) Capital work-in-progress	263.74	25.37	289.11	446.33	469.73	916.06
(c) Right of use	212.23	-	212.23	224.72	-	224.72
(d) Other intangible assets	26.53	-	26.53	20.09	-	20.09
(e) Intangible assets under development	5.07	-	5.07	3.86	-	3.86
(f) Goodwill	230.30	-	230.30	217.30	-	217.30
(g) Financial assets						
(i) Investments	353.85	-	353.85	320.20	-	320.20
(ii) Loans	4.83		4.83	5.18	-	5.18
(iii) Other financial assets	56.31	-	56.31	5.95	-	5.95
(h) Deferred tax assets (net)	41.73	-	41.73	33.32	-	33.32
(i) Income tax assets (net)	1.56	-	1.56	4.47	-	4.47
(i) Other non-current assets	187.13	89.54	276.67	121.81	114.00	235.81
Total non-current assets	**4,494.05**	**759.57**	**5,253.62**	**4,233.95**	**584.17**	**4,818.12**

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

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

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

JSW Sever field Structures 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

Epsilon Corban Pvt Ltd

Epsilon Advanced Materials Pvt Ltd

Everbest Consultancy Service Private Limited

JSW Processors & Traders Private Limited

JSW Ispat Special Products Limited

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)

Manoj Rustagi (Whole Time Director of Subsidiary Company- Shiva Cement Limited)

Girish Menon (Chief Financial Officer of Subsidiary Company- Shiva Cement Limited)

Sneha Bindra (Company secretary)

B) Nature of transactions:

₹ in crore

Transactions during the Year	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of Goods/ Power & Fuel/ Services:		
JSW IP Holdings Private Limited	7.05	8.14
JSW Steel Limited	133.83	62.32
JSW Energy Limited	117.52	120.72
JSW Steel Coated Products Limited	0.23	2.47
South - West Mining Limited	0.04	0.03
JSW International Tradecorp PTE Limited	23.81	93.84
JSW Dharamtar Port Private Limited	9.91	6.26
Amba River Coke Limited	6.17	11.58
JSW Power Trading Co. Limited	6.74	7.80
JSW Global Business Solutions Limited	7.66	7.47
JSW Ispat Special Products Limited	0.59	-
JSW GMR Cricket Private Limited	0.01	0.09
JSW Bengaluru Football Club	0.01	-
JSW Processors & Traders Private Ltd	10.61	-
JSW Paints Limited	1.35	-
JSW Sports Private Limited	-	0.49
	325.53	**321.21**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Transactions during the Year	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Lease rent paid:		
JSW Steel Limited	2.57	3.08
JSW Bengal Steel Limited	1.54	1.74
Descon Limited	0.95	1.12
JSW Realty and Infrastructure Private Limited	0.62	0.37
Tranquil Homes & Holdings Private Limited	0.49	0.52
	6.17	**6.83**
Donation/ CSR expense:		
JSW Foundation	1.38	2.02
	1.38	**2.02**
Purchase of Assets:		
JSW Energy Limited	95.67	-
	95.67	**-**
Reimbursement of expenses:		
JSW Steel Limited	0.23	12.26
JSW Realty and Infrastructure Private Limited	0.01	0.04
JSW Energy Limited	0.82	0.89
Tranquil Home and Holding Private Ltd	0.02	-
JSW Foundation	-	0.06
	1.08	**13.25**
Sales of Goods / Other Income:		
JSW Steel Limited	345.40	354.59
JSW Steel Coated Products Limited	8.63	19.48
JSW Energy Limited	2.92	0.77
Amba River Coke Limited	0.50	1.16
Dolvi Coke Project Limited	-	3.43
JSW Dharamtar Port Private Limited	2.23	0.64
JSW Techno Projects Management Limited	0.03	0.38
JSW Steel (Salav) Limited	-	0.04
JSW Jaigarh Port Limited	0.51	0.16
JSW Paints Private Limited	0.44	2.72
JSW Severfield Structures Limited	0.22	1.57
JSW Projects Limited	0.22	0.21
JSW Foundation	0.16	0.09
JSW Realty & Infrastructure Private Limited	3.11	3.94
Gopal Traders Private Limited	0.03	0.03
Epsilon Carbon Private Limited	0.13	-
JSW Ispat Special Products Limited	0.31	-
Epsilon Advanced Materials Private Limited	-	-
	364.84	**389.21**
Interest income on Loan/Deposit given to		
JSW Global Business Solutions Limited	0.27	0.33
JSW Sports Private Limited	28.41	26.94
JSW Paints Private Limited	0.08	-
JTPM Metal Traders	1.90	-
JSW Steel Limited	-	0.16
JSW Energy Limited	-	0.23
	30.66	**27.66**
Sale of Assets:		
JSW Processors & Traders Private Limited	13.08	-

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Transactions during the Year	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest paid on loan /deposit taken from		
JSW Paints Private Limited	1.16	-
JSW Dharamtar port Private Limited	0.07	-
South West Mining Limited	1.47	-
	2.70	**-**
Purchase of Equity Share		
JSW Energy Limited	-	5.54
Investment in 9% Optionally Convertible Debenture:		
JSW Sports Private Limited	-	309.00
Investment in Non-Cumulative Debenture:		
Everbest Consultancy Service Private Limited	100.00	-
Recovery of expenses:		
JSW Energy Limited	-	1.26
JSW Bengaluru Football Club Private Limited	0.65	-
JSW Steel Limited	3.09	-
JSW Bengal Steel Limited	0.40	0.59
JSW Foundation	0.00	-
	4.14	**1.85**
Deposit given		
JSW Steel Limited	-	-
JSW Realty and Infrastructure Private Limited	1.29	1.09
JSW Power Trading Company Limited	-	0.20
	1.29	**11.22**
Deposit received back		
JSW Bengal Steel	0.25	-
Loan Taken		
JSW Paints Private Limited	60.00	-
JSW Dharamtar Port Private Limited	15.00	-
South West Mining Ltd	80.00	-
	155.00	**-**
Loan repaid	60.00	-
JSW Paints Limited	15.00	-
JSW Dharamtar Port Private Limited	75.00	-
Investment returned	13.50	-
JSW Sports Private Limited	13.50	-
Loan given		
JSW Paints Limited	7.50	-
JSW Sports Private Limited	-	10.00
JTPM Metal Trader Private Limited	-	20.00
	7.50	**30.00**
Loan Given- Received Back		
JSW Global Business Solutions Limited	**0.59**	**1.32**
JSW Sports Private Limited**	-	285.00
JSW Paints Private Limited	7.50	-
	8.09	**286.32**

* Amount excludes duties and taxes

** The figures represent conversion of loan into Debentures of JSW Sports Private Limited

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Compensation to Key Management Personnel

₹ in crore

Nature of transaction	FY 2020-21	FY 2019-20
Short-term employee benefits**	10.03	9.62
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	**10.03**	**9.62**

I. The Group has accrued ₹ 2.86 crore in respect of employee stock options granted to key managerial personnel. The same has not been considered as managerial remuneration of the Current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.

II. 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, 2021, 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 31, 2021 was Amounting ₹ 21.84 crore. 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 crore.

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 ₹ 1.97 crore.

The Group had entered into arrangement with JSW Bengal Steel Limited to take on rent Guest House & accommodation facility for business purpose amounting to ₹ 1.54 crore 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 ₹ 0.62 crore, renewable at option of both the parties.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

C) Closing balances:

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Payables		
JSW Steel Limited	6.20	6.99
JSW Energy Limited	31.96	77.58
South - West Mining Limited	-	-
JSW International Tradecorp PTE Limited	-	0.12
Amba River Coke Limited	4.15	2.08
JSW Power Trading Co. Limited	0.48	0.46
JSW Global Business Solutions Limited	2.86	1.34
JSW IP Holding Private Limited	5.24	3.52
JSW Dharamtar Port Private Limited	1.07	5.53
JSW Realty and Infrastructure Private Limited	-	0.17
Tranquil Homes & Holding Private Limited	-	0.08
JSW Foundation	0.36	0.12
Descon Limited	-	0.13
JSW Steel Coated Products Ltd.	0.27	-
JSW Bengal Steel Limited	0.10	-
	52.82	**98.12**
Deposit Given		
JSW Bengal Steel Limited	2.25	2.50
JSW IP Holdings Private Limited	0.1	0.10
JSW Steel Limited	10.32	10.32
JSW Realty and Infrastructure Private Limited	3.27	1.98
	15.94	**14.90**
Advances Given		
JSW Steel Coated Products Limited	0.04	0.04
JSW Ispat Special Products Limited	0.37	-
JSW Power Trading Company Limited	0.59	1.98
JSW Bengal Steel Limited	-	0.04
Descon Limited	0.01	-
JSW Foundation	0.39	0.35
JSW Bengaluru Football Club Private Limited	0.73	-
JSW Green Energy Ltd	0.32	-
JSW Processors & Traders Private Limited	0.03	-
JSW Structural Metal Decking Limited	0.02	-
JSW Power Trading Company Limited	-	0.32
JSW Steel Limited	3.90	13.31
	6.40	**15.72**
Trade Receivables		
JSW Steel Limited	54.85	70.57
JSW Steel Coated Products Limited	2.67	8.90
JSW Energy Limited	3.28	-
JSW Jaigarh Port Limited	-	0.16
Dolvi Coke Project Limited	-	0.67
JSW Techno Projects Management Limited	0.03	0.11
JSW Dharamtar Port Private Limited	2.06	0.62
JSW Paints Private Limited	0.08	0.29
Amba River Coke Limited	0.98	0.86
JSW Foundation	0.07	0.10
JSW Realty and Infrastructure Private Limited	1.55	-
JSW Severfield Structures Limited	0.11	0.26

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Gopal Traders Private Limited	0.01	0.01
JSW Projects Limited	0.48	0.13
JSW Processors & Traders Private Limited	9.43	-
	75.60	**82.68**
Advance Received		
JSW Realty and Infrastructure Private Limited	-	0.02
JSW Energy Limited	-	0.18
Dolvi Coke Project Limited	0.20	-
Epsilon Carbon Private Limited	0.03	-
Epsilon Advanced Materials Private Limited	0.01	-
	0.24	**0.20**
Investments held by the Group		
JSW Energy Limited	23.13	11.20
JSW Sports Private Limited	295.50	309.00
Everbest Consultancy service Private Limited	100.00	
	418.63	**320.20**
Other Receivables		
JSW Steel Limited	11.38	8.42
	11.38	**8.42**
Loan given		
JSW Global Business Solutions Limited	1.84	2.43
JTPM Metal Trader Private Limited	20.00	20.00
	21.84	**22.43**
Loan taken		
South West Mining Limited	80.00	-
Interest receivable on Investment in Debenture		
JSW Sports Private Limited	25.97	-
Interest Payable on Loan Availed		
South West Mining Limited	1.36	-
JSW Paints Private Limited	0.02	-
	1.38	**-**
Interest receivable on Loan given		
Sajjan Jindal Trust	-	0.02
JSW Global Business Solutions Limited	0.25	-
JSW Sports Private Limited	-	0.25
JTPM Metal Trader Private Limited	1.78	0.02
	2.03	**0.29**

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.

Company as a lessee

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 agreement by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Group has used a single discount rate to a portfolio of leases with similar characteristics. The Group 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. 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.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

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 Company is as follows:

₹ in crore

Particulars	Additions for the year ended 31st March 2021	Net carrying amount as at 31st March, 2020	Additions for the year ended 31st March 2021	Net carrying amount as at 31st March, 2020
Leasehold land	-	25.12	20.55	22.64
Leasehold property	17.52	30.50	29.60	23.16
Power plant	-	183.82	162.13	178.92
Total	**17.52**	**239.44**	**212.28**	**224.72**

Depreciation on right to use assets is as follows:

₹ in crore

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Leasehold land	2.22	2.48
Leasehold property	8.63	7.34
Power plant	7.22	4.90
Total	**18.07**	**14.72**

Interest on right to use assets is as follows:

₹ in crore

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Leasehold land	0.94	1.18
Leasehold property	2.74	2.40
Power plant	13.10	11.56
Total	**16.78**	**15.14**

The Group incurred ₹ 11.89 crore for the year ended March 31, 2021 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 41.18 crore for the year ended March 31, 2021, 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.

j) 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 1st April and ending on 31st March. 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 2020-21 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.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Current tax:		
Current Tax	69.07	42.56
Tax/(Reversal)pertaining to earlier year	-	0.10
Deferred tax:		
Deferred Tax (Asset) / Liability	134.17	75.16
Minimum Alternate Tax Credit Entitlement	(69.07)	(42.66)
Total deferred tax	**65.10**	**32.50**
Total Tax Expense	**134.17**	**75.16**

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ in crore

Particulars	For the Year 31st March 2021	For the Year 31st March 2020
Profit Before Tax	379.48	229.79
Enacted Tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	**132.59**	**80.29**
Tax effect of:		
Income exempt from taxation	(0.08)	(0.14)
Expense not deductible in determining taxable profit	66.35	56.22
Expense allowed in determining taxable profit	(134.70)	(108.95)
Tax provision/(reversal) of earlier year	-	-
Others	(64.16)	(27.41)
Total Tax effect	**(132.59)**	**(80.28)**
Deferred tax on account of		
Property, Plant & Equipment & Other Intangible Asset.	46.98	140.44
Unabsorbed losses	81.52	13.98
Financial Assets, Liabilities and Other Item	1.13	(78.95)
Deferred Tax	**129.63**	**75.47**
Deferred tax on OCI	**4.54**	**(0.31)**
Tax Expense recognised in Consolidated Statement of Profit and Loss	**134.17**	**75.16**
Effective Tax Rate	**35.36%**	**32.71%**

There are certain income-tax related legal proceedings which are pending against the Group. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matter (refer note 38 a).

Deferred tax assets / liabilities

Significant component of deferred tax assets/ (liabilities) recognised in the Consolidated Financial Statements are as follows:

Deferred Tax Asset/(Liabilities) (Net) Significant Components of deferred tax asset/(liabilities) recognised in the Consolidated financial statement are as follows

₹ in crore

Deferred tax balance in relation to	As at 31st March, 2020	Recognised/ Reversed through profit and loss	Recognised in/ reclassified from other comprehensive income	As at 31st March, 2021
Property plant & Equipment	(557.59)	(46.97)	-	(604.56)
Carried forward business loss/ unabsorbed depreciation	266.64	(90.01)	-	176.63
Provision for Employee benefit	2.98	0.73	(0.35)	3.36
Borrowings, Lease and Other Liability	77.76	(0.90)	-	76.86
Investment : FVTOCI	-	-	(4.17)	(4.17)
Others	0.49	(0.92)	-	(0.43)
MAT Credit Entitlement	164.52	69.07	-	233.59
Total	**(45.21)**	**(68.99)**	**(4.51)**	**(118.72)**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

Deferred Tax Asset/(Liabilities) (Net) Significant Components of deferred tax asset/(liabilities) recognised in the Consolidated financial statement are as follows

₹ in crore

Deferred tax balance in relation to	As at 31st March, 2019	Recognised/ Reversed through profit and loss	Recognised in/ reclassified from other comprehensive income	As at 31st March, 2020
Property plant & Equipment	(417.55)	(140.04)	-	(557.59)
Carried forward business loss/ unabsorbed depreciation	89.57	(22.93)	-	266.64
Provision for Employee benefit	2.29	0.44	0.24	2.98
Borrowings, Lease and Other Liability	0.14	77.62	-	77.76
Others	(0.15)	0.64	-	0.49
MAT Credit Entitlement	21.86	42.66	-	164.52
Total	**(3.84)**	**(41.61)**	**0.24**	**(45.21)**

Deferred Tax Asset/(Liabilities) (Net) Significant Components of deferred tax asset/(liabilities) recognised in the Consolidated financial statement are as follows

₹ in crore

Deferred tax balance in relation to	As at 31st March 20	Recognised/ Reversed through profit and loss	Recognised in/ reclassified from other comprehensive income	As at 31st March, 2021
Property plant & Equipment	(18.58)	(0.01)	-	(18.59)
Carried forward business loss/ unabsorbed depreciation	45.65	7.58	-	53.23
Provision for Employee benefit	0.47	(0.02)	(0.03)	0.42
Borrowings, Lease and Other Liability	1.09	0.13	-	1.22
Investment : FVTOCI	-	-	-	-
Others	0.42	0.75	-	1.17
MAT Credit Entitlement	4.28	-	-	4.28
Total	**33.32**	**8.44**	**(0.03)**	**41.73**

Deferred Tax Asset/(Liabilities) (Net) Significant Components of deferred tax asset/(liabilities) recognised in the Consolidated financial statement are as follows

₹ in crore

Deferred tax balance in relation to	As at 31st March 20	Recognised/ Reversed through profit and loss	Recognised in/ reclassified from other comprehensive income	As at 31st March, 2021
Property plant & Equipment	(18.07)	(0.51)	-	(18.58)
Carried forward business loss/ unabsorbed depreciation	36.70	8.94	-	45.65
Provision for Employee benefit	0.37	0.09	-	0.47
Borrowings, Lease and Other Liability	0.96	0.12	-	1.09
Investment : FVTOCI	-	-	-	-
Others	0.11	0.31	-	0.42
MAT Credit Entitlement	4.28	-	-	4.28
Total	**24.36**	**8.96**	**-**	**33.32**

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

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

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.

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

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Audit Fees		
Statutory Audit	0.35	0.30
Certification & Out of pocket expenses	0.01	0.01
Total	**0.36**	**0.31**

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 Parent 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

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit attributable to equity holders of the Parent Company:	249.85	154.31
Profit attributable to equity holders of the Parent Company adjusted for the effect of dilution	249.85	154.31

ii. Weighted average number of ordinary shares of Parent Company

₹ in crore

Particulars	31st March, 2021 Nos	31st March, 2020 Nos.
Issued ordinary shares at 1st April	986,352,230	986,352,230
Effect of shares issued for cash	-	-
Weighted average number of shares at 31st March for basic EPS	**986,352,230**	**986,352,230**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

iii. Effect of Dilution

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Share Application Money	-	-
Convertible preference shares	-	-
Weighted average number of shares at 31st March,	**986,352,230**	**986,352,230**

iv. Basic and Diluted earnings per share

Amount in ₹

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Basic earnings per share: (i/ii)	2.53	1.56
Diluted earnings per share: (i/iii)	2.53	1.56

m) Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act

₹ in crore

Particulars	Party	2020-21		2019-20	
		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	2.42	1.84	3.02	2.42
	JTPM Metal Traders Private Ltd	20.00	20.00	20.00	20.00
	Monnet Ispat & Energy Limited	25.11	25.11	25.11	25.11
	Jindal Steel and Power Limited	20.37	1.66	21.57	20.37
	Jasani Realty Private Limited	43.31	43.31	57.17	42.76
	JSW Sports Private Limited	-	-	285.00	-
Total		**-**	**91.92**	**411.87**	**110.66**
Investments	JSW Energy Limited	-	23.13	-	11.20
	Everbest Consultancy service Private Limited	-	100.00	-	-
	JSW Sports Private Limited	-	295.5	-	309.00
Total		**-**	**418.63**	**-**	**320.20**

Details of investment made by the Group are given under note 7.

n) Revenue recognised from Contract liability (Advances from Customers):

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Closing Balance of Contract Liability	18.52	12.39
Revenue recognised from Contract liability	12.39	11.94

The contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended 31st March, 2021.

Product wise turnover

₹ in crore

Sr. No.	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
1	Cement	2,497.94	1,920.88
2	GGBS	709.89	689.32
3	Screen slag	43.87	-
4	RMC	48.90	78.32
5	Clinker	120.01	-
6	Lime Stone	307.47	143.32
7	Others	40.74	34.17
	Total	**3,768.83**	**2,866.01**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

The Group recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

₹ in crore

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from contracts with customer	3,768.83	2866.01
Other operating revenue	89.32	61.50
Total revenue from operations	**3858.15**	**2,927.51**
India	3,574.98	2923.36
Outside India	283.17	4.15
Total revenue from operations	**3,858.15**	**2927.51**
Timing of revenue recognition		
At a point in time	**3,858.15**	**2927.51**

o) Details of Corporate Social Responsibility (CSR) Expenditure:

₹ in crore

Sr. No.	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
1	Amount required to be spent as per Section 135 of the Act	3.52	3.26
2	Amount spend during the year on:	-	-
	(i) Construction / acquisition of an asset	-	-
	(ii) On purpose other than (i) above	4.88	3.82
	Total	**4.88**	**3.82**

p) Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Group):

₹ in crore

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Principal amount due outstanding as at 31st March,	20.53	6.15
2	Principal amount overdue more than 45 days	4.92	6.15
3	Interest due on (1) above and unpaid as at 31st March,	0.04	0.09
4	Interest paid to the supplier	-	-
5	Payments made to the supplier beyond the appointed day during the year	-	-
6	Interest due and payable for the period of delay	-	-
7	Interest accrued and remaining unpaid as at 31st March,	-	-
8	Amount of further interest remaining due and payable in succeeding year	-	-

q) Corporate Guarantee

On 30 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.

Fair values of the identifiable assets and liabilities of Shiva Cement Limited as at the date of acquisition

₹ in crore

Particulars	
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

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

₹ in crore

Particulars	
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**

₹ in crore

Particulars	
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

Particulars	As on 31st March, 2021	As on 31st March, 2020
Acquisition date fair value of net assets (A)	0.30	-
Fair value of consideration (stake acquired) (B)	13.30	-
Goodwill on acquisition recognised as asset (B-A)	**13.00**	**-**

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.

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

r) Subsidiaries

Details of the group's subsidiaries at the end of the reporting period are as follows:

Name of the subsidiaries	Place of incorporation	Proportion of ownership interest and voting power held by the group		Principal activity
		As at 31st March 2021	As at 31st March 2020	
Shiva Cement Limited	India	59.32%	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%	100%	Manufacturing

s) Non-controlling interest

Financial information of Shiva Cement Limited

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current assets	275.01	193.84
Current assets	26.89	17.52
Non-current liabilities	247.74	17.40
Current liabilities	71.43	187.74
Equity attributable to owners of the Company	(10.24)	3.39
Non-controlling interest	(7.03)	2.83

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 subsidiary Company, the financial statement continues to be prepared on a going concern basis for that respective subsidiary Company.

₹ in crore

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	87.37%	1588.85	101.82%	254.40	118.86%	8.38	102.28%	262.78
Indian Subsidiary								
Shiva Cement Limited	-0.56%	(10.23)	-5.21%	(13.03)	0.71%	0.05	-5.05%	(12.98)
Utkarsh Transport Pvt Ltd	-0.26%	(4.75)	-0.82%	(2.04)	-	-	-0.79%	(2.04)
JSW Green Cement Pvt Ltd	0.00%	0.01	-	-	-	-	-	-
Foreign Subsidiary								
JSW Cement FZE	13.84%	251.60	7.79%	19.46	-20.00%	(1.41)	7.03%	18.05
Non-controlling interest in subsidiaries	-0.39%	(7.03)	-3.58%	(8.94)	0.43%	0.03	-3.47%	(8.91)
Total	**100%**	**1,818.45**	**100%**	**249.85**	**100%**	**7.05**	**100%**	**256.90**

Notes

To the Consolidated Financial Statements as at and for the year ended 31st March, 2021

u) Disclosure of additional information pertaining to the Parent Company, Subsidiary, Associates and Joint Venture as per Schedule III of Companies Act, 2013.

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Revenue	32.59	32.54
Expenses	62.07	63.17
Exceptional item	-	-
Loss for the year	(21.97)	(22.83)
Loss attributable to owners of the Company	(13.98)	(12.43)
Loss attributable to the non-controlling interests	**(7.99)**	**(10.40)**
Loss for the year	(21.97)	(22.83)
Other Comprehensive income attributable to owners of the Company	0.05	(0.10)
Other Comprehensive income attributable to the non-controlling interests	0.03	(0.09)
Other Comprehensive income for the year	**0.08**	**(0.19)**
Total Comprehensive income attributable to owners of the Company	(13.93)	(12.53)
Total Comprehensive income attributable to the non-controlling interests	(7.96)	(10.49)
Total Comprehensive income for the year	**(21.89)**	**(23.02)**

₹ in crore

Particulars	As at 31st March, 2021	As at 31st March, 2020
Net cash inflow (outflow) from operating activities	(7.81)	(11.17)
Net cash inflow (outflow) from investing activities	(75.13)	(6.33)
Net cash inflow (outflow) from financing activities	89.79	17.44
Net cash inflow (outflow)	6.85	(0.06)

v) Previous year figures have also been reclassified/regrouped, wherever necessary, to conform to current year's classification.

As per our report of even date
For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 21144084AAAABJ4009

For and on behalf of 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 & Com.
DIN: 03578016

Place: Mumbai
Date: 1st May, 2021

Sneha Bindra
Company Secretary

Financial Highlights - Standalone

	2016-17 (IND AS)	2017-18 (IND AS)	2018-19 (IND AS)	2019-20 (IND AS)	2020-21 (IND AS)
Revenue Accounts (₹ in Crore)					
Gross Turnover	1,586.10	1,646.30	2,647.30	2,761.20	3,413.01
Net Turnover	1,414.80	1,595.70	2,647.30	2,761.20	3,413.01
Operating EBIDTA	306.50	337.00	450.90	591.59	783.32
Other Income	91.60	33.10	65.60	54.78	79.85
Tota Income	1,506.40	1,628.80	2,712.90	2,815.98	3,492.86
Depreciation & Amortisation	53.60	73.20	107.30	134.92	154.28
Finance Costs	134.10	190.70	235.70	265.42	277.57
Exceptional Item					35.40
Profit Before Taxes	210.40	106.20	173.50	246.03	395.92
Profit After Taxes	114.10	90.70	118.50	161.75	257.85
EBIT	344.54	296.90	409.20	511.45	673.49
Capital Accounts (₹ in Crore)					
Gross Fixed Assets	1,815.60	2,655.74	3,190.25	3,549.26	3978.52
Net Fixed Assets	1,509.60	2,276.81	2,706.12	2,930.05	3206.07
Debt*	1,781.20	2,186.37	2,533.93	2,671.69	2,707.74
Net Debt	1,659.90	1,894.79	2,510.68	2,597.73	2,636.65
Shareholders' Funds	550.60	1,171.73	1,293.84	1,447.22	1748.23
Ratios					
Book Value per Share(₹)	12.22	11.88	13.08	14.61	17.31
Earning per Share [Basic & Diluted (₹)]	2.53	1.46	1.20	1.64	2.61
Fixed Asset Turnover Ratio	0.94	0.70	0.98	0.94	1.06
Operating EBIDTA Margin (%)	21.7	21.1	17.0	21.4	23.0
Interest Service Coverage Ratio	2.57	1.56	1.74	1.93	2.43
Net Debt to Equity Ratio	3.01	1.62	1.94	1.79	1.51
Net debt to operating EBIDTA	5.42	5.62	5.57	4.39	2.18

* Excluding Acceptances

Financial Highlights - Consolidated

	2016-17 (IND AS)	2017-18 (IND AS)	2018-19 (IND AS)	2019-20 (IND AS)	2020-21 (IND AS)
Revenue Accounts (₹ in Crore)					
Gross Turnover	1,586.10	1,669.50	2,722.23	2,927.51	3,858.15
Net Turnover	1,414.80	1,618.11	2,722.23	2,927.51	3,858.15
Operating EBIDTA	306.46	328.49	440.54	601.81	818.73
Other Income	91.60	122.61	49.56	40.36	65.48
Tota Income	1,506.40	1,740.72	2,771.79	2,967.87	3,923.63
Depreciation & Amortisation	53.60	81.14	116.13	144.66	178.68
Finance Costs	134.10	195.38	237.05	267.73	290.65
Exceptional Item	-	10.12	-		35.40
Profit Before Taxes	210.40	164.46	136.92	229.78	379.48
Profit for the year	110.50	157.77	90.31	154.31	249.85
EBIT	344.50	359.8	374.0	497.51	670.13
Capital Accounts (₹ in Crore)					
Gross Fixed Assets	1,815.60	2,816.20	3,368.51	3,727.29	4822.74
Net Fixed Assets	1,509.60	2,423.40	2,861.66	3,075.97	3994.19
Debt*	1,558.70	2,186.40	2,548.72	2,956.1	3,188.59
Net Debt	1,432.80	1,891.80	2,511.46	2,841.91	3,053.2
Shareholders' Funds	546.49	1,273.54	1,366.91	1,528.72	1,818.45
Ratios					
Book Value per Share(₹)	12.13	12.91	13.821	15.437	18.022
Earning per Share [Basic & Diluted (₹)]	2.45	2.42	0.92	1.56	2.53
Fixed Asset Turnover Ratio	0.94	0.67	0.95	0.95	0.97
Operating EBIDTA Margin (%)	21.7	20.3	16.2	20.6	21.2
Interest Service Coverage Ratio	2.57	0.81	0.38	0.58	0.86
Net Debt to Equity Ratio	2.62	1.49	1.84	1.86	1.68
Long term debt to EBIDTA	4.68	5.76	5.70	4.72	3.73

* Excluding Acceptances

JSW Cement

If undelivered, please return to:

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