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** (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its joint venture, comprising of the consolidated balance sheet as at 31st March 2022, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Statement of Cash Flows and the consolidated 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 report of other auditor on separate financial statements and financial information of the subsidiaries and joint venture, referred to in Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("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 and its joint venture as at 31st March 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of 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 and its joint venture 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 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 the other auditors in terms of their reports referred to in sub-paragraph (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31st March 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the Key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

The Key Audit Matter	How our audit addressed the key audit matter
Capital Expenditure in respect of property, plant and equipment and capital work in progress (as described in notes 4 and 4.6 of the consolidated financial statements)	
The Group has incurred significant expenditure on capital projects, as reflected by the total value of additions in property plant and equipment and capital work in progress in notes 4 & 4.6 of the consolidated financial statements. The Group is in the process of executing projects for expansion of existing capacity. These projects take a substantial period of time to get ready for intended use. We considered Capital expenditure as a Key audit matter due to: • Significance of amount incurred on such items during the year ended 31st March 2022. • Judgement and estimate required by management in assessing assets meeting the /capitalisation criteria set out in Ind AS 16 Property, Plant and Equipment. • Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalisation as per the criteria set out in Ind AS 16 Property, Plant and Equipment.	Our audit procedures included the following: • We obtained an understanding of the Group's capitalisation policy and assessed for compliance with the relevant accounting standards. • We obtained understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure and capitalisation of assets. • We performed substantive testing on a sample basis for each element of capitalised costs including inventory issued to contractors for the purpose of these projects and physical verification performed by management alongwith reconciliation and directly attributable cost, including verification of underlying supporting evidence and understanding nature of the costs capitalised. • In relation to borrowing costs we obtained the supporting calculations, verified the inputs to the calculation and tested the arithmetical accuracy of the model. • We assessed accounting for costs incurred when projects are suspended or delayed for any reasons including the global pandemic. • We obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.

The Key Audit Matter	How our audit addressed the key audit matter
Provision for Mines Restoration - Refer to the accounting policies in Note 2(XV) to the consolidated financial statements: Provision for mine restoration; Note 3 to the consolidated financial statements: use of estimates and judgements – determination of provision for mine restoration to the consolidated financial statements	
The auditors of Shiva Cement Limited ("SCL"), a subsidiary of the Holding Company, have reported a key audit matter on the provision for Mines Restoration relating to mines located at Khaturbahal (Kutra District). The calculation of the provisions requires significant management's judgment because of the inherent complexity in estimating future costs. These costs are provided at the present value of expected costs to settle the obligation using estimated cash flows. The provisions are subject to the effects of any changes in local regulations, Management's expected approach to decommissioning and discount rates. The provision for Mines Restoration was identified as a key audit matter due to the significance of the Management's judgement involved in the determination of forecasted closure and restoration costs, life of mines and discount rate.	In respect of the key audit matter reported by the auditors of SCL, we performed inquiry of the audit procedures performed by them to address the key audit matter. As reported by the subsidiary auditor, in evaluating the reasonability of provisions for closure and restoration costs, they performed a detailed assessment of the Management's assumptions and also performed following audit procedures: • As at 31st March 2022, reviewed the assumptions used by the Management in their calculations and verified the calculations and assessed the assumptions used. • Verified the arithmetical accuracy of the provision based on the assumptions used by the Management for the discount rates, areas to be rehabilitated, the nature of expenses to be incurred (i.e., related to asset or expense). • Assessed the competence of the work of the Management's expert, who produced the cost estimates.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors are 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.

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 such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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 statement of changes in equity of the Group including its joint venture 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 Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint venture 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 of its joint venture 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 and of its joint venture are responsible for assessing the ability of the Group and of its joint venture 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 and of its joint venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

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 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 and its joint venture 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 and its joint venture 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 and its joint venture 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31st March 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements and other financial information in respect of 3 subsidiaries, whose financial statements and other financial information include total assets of ₹ 956.23 crore as at 31st March 2022, total revenues of ₹ 41.21 crore and net cash inflows of ₹ 4.31 crore for the year ended on that date. These financial statements and other 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. The consolidated financial statements also include the Group's share of net loss of ₹ 1.26 crore for the year ended 31st March 2022, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. 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 joint venture, 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 and joint venture is based solely on the reports of the other auditors.

b. The consolidated financial statements also include the Group's share of net loss of ₹ 1.26 crore for the year ended 31 March, 2022, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion in so far as it relates to the amounts and disclosures included in respect of this joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial statements and other financial information are not material to the group.

c. 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 ₹ 1,351.66 crore as at 31st March 2022, total revenues of ₹ 542.41 crore and net cash outflows amounting to ₹ 8.07 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiaries and joint venture, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by sub-section (3) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiaries and joint venture, 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 the Statement of Other Comprehensive Income, Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e. On the basis of the written representations received from the directors of the Holding Company as on 31st March 2022 taken on record by the Board of Directors of the Holding Company and reports of the statutory auditors who are appointed under section 139 of the Act, of its subsidiary companies and joint venture, none of the directors of the Group companies, its joint venture incorporated in India is disqualified as on 31st March 2022 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 these Consolidated financial statements of the Holding Company and its subsidiary companies and joint venture incorporated in India and 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 based on the consideration of reports of other statutory auditors of the subsidiaries and joint venture incorporated in India, the managerial remuneration for the year ended 31st March 2022 has been paid / provided by the Holding Company and its subsidiaries and joint venture 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 subsidiaries and joint venture, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its joint venture in its consolidated financial statements – Refer Note 40 (a) to the consolidated financial statements.

      ii. The Group and its joint venture did not have any long-term contracts including derivative contracts as at 31st March 2022 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.

      iv. (a) The respective Managements of the Holding Company, its subsidiaries and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding company or any such subsidiaries and joint ventures to or in any other persons or entities, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries and joint ventures respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries and joint venture from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and joint ventures shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Holding Company, its subsidiaries and joint venture incorporated in India has not declared or paid any dividend during the current year.

For **H P V S & Associates.,**
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
M. No.144084
UDIN: 22144084AMCOIZ7963

Place: Mumbai
Date: 4th May 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) report of the companies included in the consolidated financial statements are:

Name	CIN	Holding company / subsidiary / associate/ joint venture	Clause number of the CARO report which is qualified or is adverse	Remarks
JSW Cement Limited	U26957MH2006PLC160839	Holding Company	(i)(c)	Title deed of lease hold land not in the name of the lessee as Approval for Proposal for Execution of Absolute Sale deed is pending with Cabinet (State Government) for primary Lessor.
JSW Green Cement Limited	U26990TG2019PTC136901	Subsidiary	(xvii)	Cash losses in the immediately preceding financial year - ₹ 0.01 Crore
Utkarsh Transport Private Limited	U60221TG2018PTC124102	Subsidiary	(xvii)	Cash losses in the current and immediately preceding financial year - ₹ 2.92 crore and 0.43 crore
Shiva Cement Limited	L269420R1985PLC001557	Subsidiary	(vii)(a)	Undisputed statutory dues outstanding for more than six months as on the balance sheet date
Shiva Cement Limited	L269420R1985PLC001557	Subsidiary	(xvii)	Cash losses in the current and immediately preceding financial year - ₹ 14.05 crore and 20.27 crore

The audit report under the Companies (Auditors Report) Order, 2020 of these Companies has not been issued till the date of our auditor's report:

Name	CIN	Holding company / subsidiary / associate / joint venture
JSW One Platforms Limited	U51100MH2018PLC314290	Joint Venture

ANNEXURE B 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

In conjunction with our audit of the consolidated financial statements of JSW Cement Limited (hereinafter referred to as the "Holding Company") as of and for the year ended 31st March 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Companies included in the Group and its joint venture, 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Holding Company's internal financial controls over financial reporting with reference to 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 specified under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, 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 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting 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.

Opinion

In our opinion, the Group and its joint venture which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March 2022, 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 issued by the ICAI.

Other Matter

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 3 Subsidiaries and 1 joint venture which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint venture incorporated in India.

Our opinion is not modified in respect of the above matter.

For **H P V S & Associates.,**
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
M. No.144084
UDIN: 22144084AMCOIZ7963

Place: Mumbai
Date: 4th May 2022

CONSOLIDATED BALANCE SHEET

As at 31st March, 2022

₹ Crore

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	3,833.36	3,755.44
(b) Capital work-in-progress	4.6	872.29	289.11
(c) Right of use assets	5	429.93	212.23
(d) Goodwill	40n	233.23	230.30
(e) Intangible assets	6	76.34	26.53
(f) Intangible assets under development	6A	3.95	5.07
(g) Investment in Joint Venture	7	2.53	-
(h) Financial assets			
(i) Investments	8	481.04	353.85
(ii) Loans	9	20.00	4.83
(iii) Other financial assets	10	61.85	80.04
(i) Deferred tax assets(net)	11	51.87	41.73
(j) Income tax assets (net)	12	1.94	1.56
(k) Other non-current assets	13	452.02	296.08
Total non-current assets		**6,520.35**	**5,296.77**
Current assets			
(a) Inventories	14	460.21	349.29
(b) Financial assets			
(i) Trade receivables	15	766.27	619.35
(ii) Cash and cash equivalents	16	164.83	95.65
(iii) Bank balances other than (ii) above	17	390.10	39.92
(iv) Loans	9	95.42	47.63
(v) Derivative asset	18	16.53	4.21
(vi) Other financial assets	10	407.03	276.62
(c) Other current assets	13	451.77	221.30
Total current assets		**2,752.16**	**1,653.97**
Total assets		**9,272.51**	**6,950.74**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	986.35	986.35
(b) Other equity	20	1,144.30	839.12
Equity attributable to owners of the Company		**2,130.65**	**1,825.47**
(c) Non controlling interest		(18.63)	(7.03)
Total Equity		**2,112.02**	**1,818.44**
Liabilities			
Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	4,051.49	2,123.73
(ii) Lease liabilities	22	410.43	190.74
(iii) Other financial liabilities	23	0.24	11.28
(b) Provisions	24	89.44	49.29
(c) Deferred tax liabilities (net)	11	225.31	118.73
Total non-current liabilities		**4,776.91**	**2,493.77**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	570.57	1,064.87
(ii) Lease liabilities	22	21.86	14.93
(iii) Trade payables			
Total outstanding dues of Micro enterprises and small enterprises	26	33.52	20.53
Total outstanding dues of creditors other than Micro enterprises and small enterprises	26	1,049.28	893.07
(iv) Derivative liability	27	-	0.23
(v) Other financial liabilities	28	570.45	507.69
(b) Provisions	24	0.28	0.36
(c) Other current liabilities	29	110.22	127.53
(d) Current tax liabilities (net)		27.40	9.31
Total current liabilities		**2,383.58**	**2,638.53**
Total liabilitites		**7,160.49**	**5,132.30**
Total equity and liabilities		**9,272.51**	**6,950.74**

See accompanying notes to the consolidated financial statement

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

For and on behalf of the Board of Directors

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 22144084AMC01Z7963

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 & Commercial
DIN: 03578016

Place: Mumbai
Date: 4th May,2022

Sneha Bindra
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended 31st March, 2022

₹ Crore

	Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
I	Revenue from operations	30	4,668.57	3,861.90
II	Other income	31	194.91	61.73
III	**Total Income (I+ II)**		**4,863.48**	**3,923.63**
IV	**Expenses**			
	Cost of raw material consumed	32	1,058.23	946.45
	Purchases of stock in trade	33	153.31	16.54
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	34	(35.36)	36.27
	Employee benefits expense	35	244.63	205.07
	Power and fuel		759.14	451.32
	Freight and handling expenses		1,013.18	796.75
	Other expenses	36	739.30	592.51
			3,932.43	**3,044.91**
	Less: Captive consumption		(7.37)	(5.48)
	Total Expenses (IV)		**3,925.06**	**3,039.43**
V	**Earnings before interest, tax, depreciation and amortisation (EBITDA) (III - IV)**		**938.42**	**884.20**
VI	Finance costs	37	315.37	290.65
VII	Depreciation and amortization expense	38	225.06	178.68
VIII	**Profit before share of Profit/(Loss) from Joint Venture, Exceptional Item and Tax (V-VI-VII)**		**397.99**	**414.87**
IX	Share of loss from joint venture		(1.26)	-
X	**Profit before Exceptional Item and Tax (VIII-IX)**		**396.73**	**414.87**
	Exceptional Items			
	ESOP Expense	40d	-	35.40
XI	**Total Exceptional Items**		**-**	**35.40**
XII	**Profit before tax (X-XI)**		**396.73**	**379.47**
	Tax expenses			
	Deferred tax	11	164.08	129.63
XIII	**Total tax expenses**		**164.08**	**129.63**
XIV	**Profit for the year (XII-XIII)**		**232.65**	**249.84**
XV	**Other comprehensive income**			
A	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the defined benefit plans		(0.57)	1.07
	(b) Equity instruments through other comprehensive income		55.47	11.93
	ii) Income tax relating to items that will not be reclassified to profit or loss	11	(19.18)	(4.54)
	Total (A)		**35.72**	**8.46**
B	ii) Items that will be reclassified to profit or loss			
	(a) Foreign currency translation reserve		7.46	(5.62)
	(b) The effective portion of gains and loss on hedging instruments		12.18	4.21
	ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total (B)		**19.64**	**(1.41)**
	Total other comprehensive income/(loss) (A + B)		**55.36**	**7.05**
	Total comprehensive income/(loss) (XIV + XV)		**288.01**	**256.89**
	Total Profit /(loss) for the year attributable to:			
	- owners of the Company		244.28	258.79
	- Non - controlling interest		(11.63)	(8.94)
	Total		**232.65**	**249.85**
	Other comprehensive income/(loss) for the year attributable to:			
	- owners of the Company		55.34	7.02
	- Non - controlling interest		0.03	0.03
	Total		**55.37**	**7.05**
	Total Comprehensive income/ (loss) for the year attributable to:			
	- owners of the Company		299.60	265.81
	- Non - controlling interest		(11.59)	(8.91)
	Total		**288.01**	**256.90**
XVI	**Earnings per equity share (face value of ₹ 10/- each)**			
	- Basic (In ₹)	40j	2.48	2.62
	- Diluted (In ₹)		2.48	2.62

See accompanying notes to the consolidated financial statement

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

For and on behalf of the Board of Directors

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 22144084AMC01Z7963

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 & Commercial
DIN: 03578016

Place: Mumbai
Date: 4th May,2022

Sneha Bindra
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCIE)

For the year ended 31st March, 2022

Equity Share Capital (A)

₹ Crore

Particular	Total
Balance at 1st April 2020	**986.35**
Changes in equity share capital during the year	-
Balance at 31st March 2021	**986.35**
Changes in equity share capital during the year	-
Balance at 31st March 2022	**986.35**

Other equity (B)

₹ Crore

Particulars	Reserves & Surplus					Items of Other comprehensive income		Attributable to Owners of the Parent Company	Non Controlling Interest	Total
	Retained Earnings	Share option outstanding reserve	Legal Reseve	Effective portion of Cash Flow Hedge Reserve	Capital Reserve	Foreign Currency Translation Reserve	Equity instruments through other comprehensive income			
Balance at 31 March, 2020	**530.74**	**6.11**	**1.91**	**-**	**8.12**	**15.66**	**(23.00)**	**539.54**	**2.83**	**542.37**
Profit for the year	259.44	-	-	-	-	-	-	259.44	(7.99)	251.44
Acquisition of non controlling interest	-	-	-	-	-	-	-	-	(1.90)	(1.90)
share based payments	(1.61)	34.76	-	-	-	-	-	33.15	-	33.15
Other comprehensive income for the year	0.65	-	-	4.21	-	(5.62)	7.76	7.00	0.03	7.03
Transfer to legal reserve	(2.05)	-	2.05	-	-	-	-	-	-	-
Transfer to retained earning released profit on FVTOCI	0.68	-	-	-	-	-	(0.68)	-	-	-
Total for the year	**787.86**	**40.87**	**3.95**	**4.21**	**8.12**	**10.04**	**(15.93)**	**839.12**	**(7.03)**	**832.09**
Balance at 1st April, 2021	**787.86**	**40.87**	**3.95**	**4.21**	**8.12**	**10.04**	**(15.93)**	**839.12**	**(7.03)**	**832.09**
Profit for the year	244.27	-	-	-	-	-	-	244.27	(11.63)	232.63
Share based payments	-	5.66	-	-	-	-	-	5.66	-	5.66
Other comprehensive income for the year	(0.47)	-	-	12.18	-	7.46	36.09	55.25	0.03	55.29
Transfer to legal reserve	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	**243.79**	**5.66**	**-**	**12.18**	**-**	**7.46**	**36.09**	**305.18**	**(11.60)**	**293.58**
Balance at 31st March, 2022	**1,031.65**	**46.53**	**3.95**	**16.38**	**8.12**	**17.50**	**20.16**	**1,144.30**	**(18.63)**	**1,125.67**

See accompanying notes to the Consolidated Financial Statement

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 22144084AMC01Z7963

Place: Mumbai
Date: 4th May,2022

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director finance & Commercial
DIN: 03578016

Sneha Bindra
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2022

₹ Crore

	Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
A.	**CASH FLOWS FROM OPERATING ACTIVITIES:**		
	PROFIT BEFORE TAX	**396.72**	**379.48**
	Adjustments for:		
	Depreciation and amortisation expenses	225.06	178.68
	Loss on sale of property, plant & equipment	13.73	5.42
	Share of loss from joint ventures (net)	1.26	-
	Interest Income	(51.39)	(37.73)
	Dividend Income	(0.55)	(0.24)
	Interest expense	272.72	265.81
	Share based payment expense	10.49	9.57
	Exception Items	-	35.40
	Non- cash expenditure	28.40	17.00
	Gain from remeasurement of Financial liability	(124.21)	-
	Unwinding of interest on financial liabilities carried at amortised cost	4.48	3.65
	Operating profit before working capital changes	**776.71**	**857.04**
	Movements in Working Capital:		
	(Increase) in trade receivables	(147.57)	(195.83)
	(Increase) in inventories	(110.93)	109.87
	(Increase) financial and other assets	(352.94)	(190.50)
	Increase in Trade payables	174.13	130.26
	Increase in Other liabilities*	61.59	94.17
	Increase in provisions	7.12	34.48
	Cash flow used in Operations	**408.11**	**839.49**
	Income taxes paid (net)	(69.11)	(56.72)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	**339.00**	**782.77**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of property, plant and equipment, intangible assets including under development and capital advances	(1,054.47)	(644.91)
	Proceeds from sale of property, plant and equipment	0.01	32.50
	Interest received	11.06	14.83
	Investment Others	(86.22)	(100.00)
	Investment in term deposit	(349.39)	(19.96)
	Dividend income from non current investments designated at FVTOCI	0.55	0.24
	Proceeds fron Sale of non -current investments	12.50	13.50
	Loan given to Others	(69.45)	(1.55)
	Loan given to related parties repaid	1.83	0.59
	Loan given to Others repaid	4.66	18.72
	NET CASH USED IN INVESTING ACTIVITIES	**(1,528.92)**	**(686.04)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from issue of complusory convertible preference share	1,600.00	-
	Proceeds from non-current borrowings	1,340.55	200.16
	Repayment of non-current borrowings	(815.25)	(280.72)
	Proceeds from current borrowings (net)	(572.10)	313.04
	Payment for lease laibilities	(20.49)	(41.48)
	Interest paid on borrowings	(272.82)	(286.31)
NET CASH GENERATED FROM FINANCING ACTIVITIES		**1,259.89**	**(95.31)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B +C)		**69.97**	**1.42**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**115.61**	**114.19**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR [Refer Note 16 and 17]		**185.58**	**115.61**

* Includes current/ non-current

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2022

Reconciliation forming part of cash flow statement

Particulars	1st April 2021	Cash Flow (net)	New Leases	Others	31st March 2022
Borrowings (non-current) (including current maturities of long-term borrowings included in Current borrowing)	2,541.63	2,125.30	-	(133.09)	4,533.84
Borrowings Current	660.30	(572.10)	-	-	88.20
Finance Lease Obligation (including current maturities)	205.68	(20.49)	252.12	(5.02)	432.29

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 Current borrowing)	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

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 attached report of even date

For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

For and on behalf of the Board of Directors

Vaibhav L Dattani
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Director finance & Commercial
DIN: 03578016

Place: Mumbai
Date: 4th May, 2022

Sneha Bindra
Company Secretary

NOTES

To the Consolidated Financial Statements as at and for the year ended 31st March 2022

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.

2. Significant Accounting Policies

I. Statement of Compliances

Consolidated Financial Statements of the Group which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2022, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "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 with effect from 1st April, 2017, the provisions of the Companies Act, 2013 "the Act") to the extent notified and other accounting principles generally accepted in India and the Companies (Accounting Standards) Amendment Rules, 2016.

The aforesaid Consolidated Financial Statements have been approved by the Board of Directors in the meeting held on 4th May 2022.

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 which are consistently followed except where a new accounting standard or amendment to the existing accounting standards requires a change in the policy hitherto applied. . Presentation requirements of Division II of Schedule III to the Companies Act, 2013, "as amended", as applicable to the Consolidated Financial Statements have been followed.

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.

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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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

NOTES

To the Consolidated Financial Statements as at and for the year ended 31st March 2022

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.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than majority of the voting rights of an investee, it has power over the investee if the voting rights and other contractual terms are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including;

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the 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.

Adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

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. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

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.

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 the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required / permitted by applicable Ind ASs).

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

NOTES

To the Consolidated Financial Statements as at and for the year ended 31st March 2022

and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and
- assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS. When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against Goodwill / capital reserve. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or 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

NOTES

To the Consolidated Financial Statements as at and for the year ended 31st March 2022

customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration including Trade receivables

- **Contract liabilities**
  A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract including Advance received from Customer.

- **Refund liabilities**
  A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer including volume rebates and discounts. The Group updates its estimates of refund liabilities at the end of each reporting period.

Dividend and interest income:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

VII. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 - Leases. Identification of a lease requires significant judgment and the Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract.

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

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and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in consolidated statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

For a contract that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

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. . Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases. Subsequent to initial recognition, the Group regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of Ind AS 109, recognising an allowance for expected credit losses on the lease receivables. Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance). When a contract includes both lease and non-lease components, the Group applies Ind AS 115 to allocate the consideration under the contract to each component.

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). For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency

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 March 31, 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 directly attributable to the acquisition and construction or production 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 or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use or sale

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

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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. If any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. In case if the Group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

The Group suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

Borrowing cost includes exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to finance cost.

X. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/ subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate or when the performance obligation is met.

Government grants related to income under State Investment Promotion Scheme linked with VAT / GST payment are recognised in the Consolidated Statement of Profit and Loss in the period in which they become receivable.

Government Grant relating to tangible Property, Plant and equipment are treated as deferred income and released to consolidated statement of profit and loss over the expected useful lives of the assets concerned.

XI. Employee Benefits

Retirement benefit costs and termination benefits

Defined contribution plan:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.Payments made to state-managed retirement benefit plans are accounted for as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Defined benefit plans:

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 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.

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XII. 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.

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.

The Group has created an Employee Welfare Trust for providing share-based payment to its employees. The Group uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes.

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. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities

Current and deferred tax for the year

Current and deferred tax are recognised in Consolidated Statement of Profit or Loss, except when they are related 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.

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XIV. Property, Plant and Equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Expenditure incurred after the property, plant & equipment has put into the operation, such as repairs and maintenance, are charged to Consolidated Statement of Profit and Loss in the period in which cost are incurred. Major shutdown and overhaul expenditure is capitalised as the activity undertaken improves the economic benefit expected to arise from the assets.

Spares parts, servicing equipment and standby equipment which can be used only in connection with a particular Plant & Equipment of the Group and their use is expected to be irregular, are capitalised at cost.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Consolidated Statement of Profit and Loss.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses., if any.

Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognised.

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 by a technical expert engaged by the management,, 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.:

Estimated useful lives of the assets are as follows:

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 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 Property, plant and equipment. 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.

An intangible asset is derecognised on disposal, or when no further economic benefits are expected from use or disposal. Gain/loss on de-recognition are recognised in statement of profit and loss

a) Mining rights -Site restoration costs

The Group provides for the expenses to reinstate the quarries used for mining. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on the minerals extracted during the year. Mines restoration expenses are incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure. The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates

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

Expenditure on software is amortised on Straight Line Method over the period of three years from the date it is put to use.

Mines assets amortisation

The mines asset is charged to profit or loss over the life of the asset through depreciation over the life of the operation

XVI. Impairment of Property, plant and equipment and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

XVII. Inventories

Inventories are valued after providing for obsolescence as follows:

a) Raw material, stores & spares, packing material and fuels are valued at lower of cost and net realisable value. However, these items are considered to be realisable at cost, if the finished products, in which they will be

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used, are expected to be sold at or above cost. Cost is determined on weighted average basis. However, when a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value

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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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.

A disclosure for contingent liabilities is made where there is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognized because:

  (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  (ii) the amount of the obligation cannot be measured with sufficient reliability.

  A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the entity. Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

  (a) estimated amount of contracts remaining to be executed on capital account and not provided for;

  (b) uncalled liability on shares and other investments partly paid;

  (c) funding related commitment to associate and joint venture companies; and

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  (d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

XIX. Investment in subsidiaries, associates and joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these Consolidated Financial Statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations.

Under the equity method, an investment in an associate or a joint venture is initially recognised in the Consolidated Financial Statement at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in Consolidated Statement of Profit and Loss in the period in which the investment is acquired.

The requirements of Ind AS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued. When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities. When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's Consolidated Financial Statements only to the extent of interests in the associate or joint venture that are not related to the Group. The Group applies Ind AS 109, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied and which form part of the net investment in the investee. Furthermore, in applying Ind

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AS 109 to long-term interests, the Group does not take into account adjustments to their carrying amounts required by Ind AS 28 (i.e., adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with Ind AS 28).

Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenue and expenses relating to its interest in a joint operation in accordance with the Ind Ass applicable to the particular assets, liabilities, revenue and expenses.

XX. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Consolidated Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Consolidated Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

The Group initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Consolidated Other Comprehensive Income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Consolidated OCI is reclassified from the equity to Consolidated Statement of Profit and Loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Group may make an irrevocable election to present in Consolidated other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in Consolidated statement of profit or loss. The net gain or loss recognized in Consolidated statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Group's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in Consolidated other comprehensive income and accumulated in equity is recognised in Consolidated profit or loss if such gain or loss would have otherwise been recognised in Consolidated profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in Consolidated other comprehensive income is recognised in Consolidated Statement of Profit or Loss if such gain or loss would have otherwise been recognised in Consolidated Statement of Profit or Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in Consolidated other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

d) Impairment

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

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The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in Consolidated other comprehensive income and is not reduced from the carrying amount in the Consolidated Balance Sheet

(e) Income from financial assets:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established. 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. Delayed payment charges are recognised on collection or earlier when there is reasonable certainty to expect ultimate collection.

f) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in Consolidated Statement of Profit or Loss and is included in the 'Other income' line item.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities.

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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 Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in Consolidated Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Consolidated Statement of Profit and Loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Consolidated Statement of Profit and Loss.

Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Group enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and capital expenditure. The banks and financial institutions are subsequently repaid by the Group at a later date. These are normally settled up to 12 months (for raw materials) and up to 60 months (for capital expenditure). These arrangements for raw materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognised as other financial liabilities.

Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Consolidated Statement of Profit or Loss.

d) Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

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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.

(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 to realise the assets and settle the liabilities simultaneously

g) **Fair value measurement:**

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability, or

ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

XXI. 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.

XXII. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments

XXIII.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. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

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 by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

XXIV.Statement of cash flows:

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

i. changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, and unrealised foreign currency gains and losses etc.; and

iii. all other items for which the cash effects are investing or financing cash flows.

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

XXV. Exceptional items:

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts

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, that have a significant impact on the amounts recognized and to make 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.

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The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

A) Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives depend upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets. It is possible that the estimates made based on existing experience are different from the actual outcomes and could cause a material adjustment to the carrying amount of property, plant and equipment.

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. The management decides whether the matters needs to be classified as 'remote,' 'possible' or 'probable' based on expert advice, past judgements, terms of the contract, regulatory provisions etc.

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) Income Tax

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

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. In assessing the realizability of deferred tax assets arising from unused tax credits, the management considers convincing evidence about availability of sufficient taxable income against which such unused tax credits can be utilized. The amount of the deferred income tax assets considered realizable, however, could change if estimates of future taxable income changes in the future.

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

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less payments made towards lease obligation and imputed finance charges have been considered to be the consideration for elements other than lease.

In case of arrangements which are identified to be in the nature of finance lease, the management concluded that it is impracticable to derive the relative fair values of lease and other elements of the arrangement and has accordingly determined the consideration for elements other than lease as a residual post appropriation of lease payments derived based on lessee's incremental borrowing rate of interest on the lease obligation corresponding to the respective gross asset values in the books of lessor.

ix) Defined benefits plans

The cost of defined benefit plan and other postemployment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

x) Goodwill and Impairment of Goodwill

Determining whether the goodwill acquired in business combinations are impaired, requires an estimate of recoverable amount of the group's cash generating unit. In considering the recoverable value of cash generating unit, the management has anticipated the future benefits to arise from commodity prices, capacity utilization of plants, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying unit. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit prorate based on carrying amount of each asset in the unit. Any impairment loss of goodwill is recognized directly in the consolidated statement of profit or loss.

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

The Ministry of Corporate Affairs ("MCA") notifies new standards / amendments under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

(a) Ind AS 16 | Property, plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022

(b) Ind AS 37 | Provisions, contingent liabilities and contingent assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022, although early adoption is permitted.

(c) Ind AS 103 | Business combinations – The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.

(d) Ind AS 109 | Financial instruments – The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

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

C) Critical accounting judgements

i) Determining the lease term of contracts with renewal and termination options – Company as lessee.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate

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the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

ii) Incentives under the State Industrial Policy

The Company units at Salboni in West Bengal & Jajpur in Odisha are eligible for incentives under the respective state government policy/ scheme for aviling incentives in the form of VAT/ SGST reimbursement.

The Government of West Bengal introduced a scheme called the West Bengal State Support Industries Scheme, 2013 ("WBSSIS 2013") to encourage and increase investment in the state. WBSSIS 2013 promised various incentives and reliefs to industries. Banking on the promises made in the WBSSIS 2013, the Company has set up a plant in West Bengal, investing more than ₹ 600 Cr. After applying to receive incentives under the scheme, the Company received registration certificate ("RC") in part I. However, even after complying with all the conditions and regularly following up with the government bodies, JSWCL has not received the RC in part II which is required to avail the benefits of the scheme. The government authorities are silent on the Company's application. The Company has filed writ petition before the Kolkata High court to direct the state government to issue RC in part II and grant all benefits eligible under WBSSIS 2013.

The Government of Odisha vide their Industrial Policy Resolution, 2015 ("IPR 2015") provided for benefit of reimbursement of net VAT paid by an industrial unit, which fell in the priority sector (including a new unit or the expansion of an existing unit). A Resolution dated 18th August 2020 ("Amendment Resolution") was issued by the Industries Department of the Government of Odisha to amend IPR 2015, thereby excluding cement manufacturing / grinding units etc. from availing the benefit of reimbursement of Net SGST with effective from 1 July 2017. JSWCL has filed a writ petition before the Odisha High Court challenging the amendment to the IPR 2015 in December 2020.

The management has evaluated the impact of conditions under both the industrial Policies and taken legal advice on tenability of the position. Based on the position and the legal advice, the Company believes that it is eligible to receive SGST reimbursements under both the Industrial Policy and accordingly has recognised incentive income and the cumulative incentive receivable is considered to be good and recoverable.

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4. Property, plant and equipment

₹ Crore

Description of Assets	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Computers	Office Equipment	Vehicle	220 KV Switching station	Residential complex	Leasehold improvement	External road	Railway siding	Total Property, plant and equipment
I. Cost / Deemed cost													
Balance as at 31 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
Additions	0.66	233.91	837.31	4.10	3.23	3.06	0.25	36.33	0.04	0.59	-	-	1,119.48
Deductions	-	(26.73)	(10.64)	(0.18)	-	(0.14)	(0.11)	-	-	-	-	-	(37.80)
Balance as at 31 March, 2021	**40.73**	**852.56**	**3,172.12**	**10.30**	**10.72**	**11.01**	**17.09**	**52.69**	**14.89**	**4.74**	**84.69**	**19.00**	**4,290.55**
Reclassification of Assets	-	108.79	(108.80)	1.69	0.16	(1.60)	(0.10)	-	-	-	-	-	0.14
Foreign Exchange on translation	-	4.34	17.82	0.09	0.07	0.06	-	-	-	-	-	-	22.38
Additions	33.09	52.81	155.20	0.81	1.92	1.45	2.38	-	-	-	10.09	-	257.75
Deductions	-	(3.88)	(19.39)	(0.22)	-	(0.15)	(0.02)	-	-	(0.41)	-	-	(24.08)
Balance as at 31 March, 2022	**73.82**	**1,014.62**	**3,216.95**	**12.67**	**12.87**	**10.77**	**19.35**	**52.69**	**14.89**	**4.33**	**94.78**	**19.00**	**4,546.75**
II. Accumulated depreciation													
Balance as at 31 March, 2020	-	34.09	313.85	1.85	3.02	2.45	3.77	2.70	1.60	0.64	10.12	3.62	377.71
Depreciation expense for the year	-	16.61	125.97	1.01	2.21	1.52	2.04	2.11	1.49	1.06	3.37	1.41	158.80
Eliminated on disposal of assets	-	(0.84)	(0.46)	(0.01)	-	(0.03)	(0.06)	-	-	-	-	-	(1.40)
Balance as at 31 March, 2021	**-**	**49.86**	**439.35**	**2.85**	**5.23**	**3.94**	**5.75**	**4.81**	**3.09**	**1.70**	**13.49**	**5.03**	**535.11**
Depreciation expense for the year	-	27.54	142.23	1.72	2.77	1.50	2.09	2.25	1.49	1.03	3.83	1.41	167.86
Eliminated on disposal of assets	-	(0.84)	(8.62)	(0.02)	-	(0.05)	(0.02)	-	-	(0.03)	-	-	(9.58)
Balance as at 31 March, 2022	**-**	**76.56**	**572.96**	**4.55**	**8.00**	**5.39**	**7.82**	**7.06**	**4.58**	**2.70**	**17.32**	**6.44**	**713.39**
Carrying value													
Balance as at 31 March, 2022	**73.82**	**938.06**	**2,643.99**	**8.12**	**4.87**	**5.38**	**11.53**	**45.63**	**10.31**	**1.63**	**77.46**	**12.56**	**3,833.36**
Balance as at 31 March, 2021	**40.73**	**802.70**	**2,732.77**	**7.45**	**5.49**	**7.07**	**11.35**	**47.88**	**11.80**	**3.04**	**71.20**	**13.97**	**3,755.44**

4.1 Asset include Gross Block of ₹ 622.04 Crore (previous year ₹ 612.19 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 At Vijayanagar, the leasehold land, the sublease agreements with JSW Steel Limited for 150 acres has expired on 24.10.2017. JSW Steel is in the process of converting the title of 1700 acres (wherein 150 acres is part of) from leasehold to freehold by purchasing the said land as per the terms of their lease-cum sale deed with State Government of Karnataka. JSW Steel Ltd has undertaken to enter into lease agreement for the said 150 acres land with the Company for mutually agreed period after the Sale Deed with State Government of Karnataka for land purchase is executed in their favour.

4.3 Asset include Gross Block of ₹ 416.56 Crore(previous year ₹ 413.03 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.

4.4 Certain property, plant and equipment are pledged against borrowing, the detail relating to which have been described in note 21

4.5 Property, plant and equipment include assets with net block of ₹ 147.60 Crore (previous year ₹ 147.89 Crore) for which ownership is not in the name of the Group

4.6 Capital work in progress includes borrowing cost₹ 43.26 (as at 31st March, 2021 Nil)

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CWIP Aging Schedule

As at 31st March, 2022

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 year	2 - 3 years	More than 3 years	Total
Project in progress	772.00	62.32	16.84	21.13	872.29
Project temporarily suspended	-	-	-	-	-
Projects with cost overrun / timeline delayed	-	-	-	-	-
Total	**772.00**	**62.32**	**16.84**	**21.13**	**872.29**

As at 31st March, 2021

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 year	2 - 3 years	More than 3 years	Total
Project in progress	229.44	24.18	26.79	8.71	289.11
Project temporarily suspended	-	-	-	-	-
Projects with cost overrun / timeline delayed	-	-	-	-	-
Total	**229.44**	**24.18**	**26.79**	**8.71**	**289.11**

4.7 Depreciation of ₹ 0.34 cores(As at 31 March 2021: ₹ 0.89 Crore) pertaining to project is transferred to CWIP

5. Right of Use assets

₹ Crore

Description of Assets	Land	Property	Plant and machinery	Total Right of use assets
I. Cost				
Balance as at 31st March, 2020	25.12	30.50	183.82	239.45
Reclassification of land	-	-	-	-
Additions	0.00	17.50	-	17.50
Deductions	(0.69)	(2.59)	(9.57)	(12.85)
Balance as at 31st March, 2021	**24.43**	**45.42**	**174.25**	**244.09**
Additions	-	252.12	-	252.12
Deductions	-	(5.02)	-	(5.02)
Balance as at 31st March, 2022	**24.43**	**292.51**	**174.25**	**491.19**
II. Accumulated depreciation				
Balance as at 31st March, 2020	2.48	7.34	4.90	14.72
Depreciation expense for the year	2.22	8.62	7.22	18.06
Eliminated on disposal of assets	-	(0.92)	-	(0.92)
Balance as at 31st March, 2021	**4.70**	**15.04**	**12.12**	**31.86**
Depreciation expense for the year	2.31	22.40	6.95	31.66
Eliminated on disposal of assets	-	(2.26)	-	(2.26)
Balance as at 31st March, 2022	**7.01**	**35.19**	**19.07**	**61.26**
Carrying value				
Balance as at 31st March, 2022	**17.42**	**257.33**	**155.18**	**429.93**
Balance as at 31st March, 2021	**19.73**	**30.37**	**162.13**	**212.23**

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.

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

Interest on lease liabilities

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Leasehold land	8.95	0.94
Leasehold property	2.86	2.74
Power plant	14.34	13.10
Total	**26.15**	**16.78**

The Group incurred ₹ 6.01 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 ₹ 41.28 crore for the year ended March 31, 2022, 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.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

6. Other Intangible assets

₹ Crore

Description of Assets	Software	Mining Rights	Stripping Cost	Total Intangible Assets
I. Cost / Deemed cost				
Balance as at 31 March, 2020	7.12	9.17	10.18	26.47
Additions	0.28	8.82	-	9.10
Deductions	-	-	-	-
Balance as at 31 March, 2021	**7.40**	**17.99**	**10.18**	**35.57**
Additions	22.35	33.40	-	55.75
Deductions	(0.14)	-	-	(0.14)
Balance as at 31 March, 2022	**29.61**	**51.39**	**10.18**	**91.18**
II. Accumulated depreciation				
Balance as at 31 March, 2020	4.33	0.71	1.33	6.37
Depreciation expense for the year	1.91	0.46	0.30	2.66
Eliminated on disposal of assets	-	-	-	-
Balance as at 31 March, 2021	**6.24**	**1.17**	**1.63**	**9.04**
Depreciation expense for the year	4.56	0.93	0.39	5.88
Eliminated on disposal of assets	(0.08)	-	-	(0.08)
Balance as at 31 March, 2022	**10.72**	**2.10**	**2.02**	**14.85**
Carrying value				
Balance as at 31 March, 2022	**18.89**	**49.29**	**8.16**	**76.34**
Balance as at 31 March, 2021	**1.16**	**16.82**	**8.55**	**26.53**

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.

6A. Intangible assets under development

₹ Crore

Description of Assets	As at 31st March 2022	As at 31st March 2021
Mining deveopment	3.95	4.99
Land & Land development	-	0.08
Total	**3.95**	**5.07**

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Intangible assets under development Ageing Schedule

As at 31st March, 2022

₹ Crore

CWIP	Amount in Intangible assets under development for a period of				
	Less than 1 year	1 - 2 year	2 - 3 years	More than 3 years	Total
Project in progress	2.07	1.88	-	-	3.95
Project temporarily suspended	-	-	-	-	-
Total	**2.07**	**1.88**	**-**	**-**	**3.95**

As at 31st March, 2021

₹ Crore

CWIP	Amount in Intangible assets under development for a period of				
	Less than 1 year	1 - 2 year	2 - 3 years	More than 3 years	Total
Project in progress	4.40	-	0.67	-	5.07
Project temporarily suspended	-		-		-
Total	**4.40**	**-**	**0.67**	**-**	**5.07**

For Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan

₹ Crore

CWIP	Amount in Intangible assets under development for a period of				
	Less than 1 year	1 - 2 year	2 - 3 years	More than 3 years	Total
Project- wise	-	-	-	-	-
Total	**-**		**-**	**-**	**-**

7. Investment in Joint Venture

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
(A) Investment in Equity Instruments accounted for Equity Method		
(ii) Unquoted- Joint Venture (At fair value through Profit and loss)		
JSW One Platforms Limited: 39,168 (31 March 2021: Nil) of ₹ 10 each fully paid-up	3.79	-
Less: Share of loss from joint venture	(1.26)	-
Total	**2.53**	**-**
Unquoted		
Aggregate carrying value	2.53	-
Investment at amortised cost	-	-
Investment at fair value through Profit and loss	2.53	-
Investment at fair value through other comprehensive income	**-**	**-**

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8. Investments (non current)

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
(A) Investment in Equity Instruments		
(i) Quoted- others (At fair value through OCI)		
JSW Energy Limited	78.60	23.13
26,29,610 (31st March 2021: 26,29,610) of ₹ 10 each fully paid-up		
(B) Investment in Preference Shares		
Unquoted 8% non convertible, non cumulative redeemable preference shares		
Everbest Consultancy service Pvt Ltd.	40.71	35.22
10,00,00,000 (31 March 2021: 100,000,000) of ₹ 10 each fully paid-up		
(C) Investment in Debenture		
(i) Unquoted Zero Coupon Optionally Convertible Debentures redeemable at premium (at Amortised cost)		
JSW Sports Limited	283.00	295.50
28,300 debentures (31 March 2021: 29,550) of ₹ 100,000 each fully paid-up		
(ii) Unquoted Zero Coupon Compulsory Convertible Debentures (At fair value through Profit and Loss)		
Algebra Endeavour Private Limited	78.73	-
79,50,000 (31 March 2021: Nil) of ₹ 100 each fully paid-up		
(D) Investment in government securities (Unquoted (others) (at amortised cost))		
National Saving Certificate - Pledged with Commercial Tax Department ₹ 3,000 (31st March 2021: ₹ 3,000)	-	-
Total (A+B+C+D)	**481.04**	**353.85**
Quoted		
Aggregate book value	78.60	23.13
Aggregate market value	78.60	23.13
Unquoted		
Aggregate carrying value	402.44	330.72
Investment at amortised cost	**283.00**	**330.72**
Investment at fair value through Profit and loss	**119.44**	**35.22**
Investment at fair value through other comprehensive income	**78.60**	**23.13**

9. Loans

₹ Crore

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Unsecured considered good				
Loans to:				
- Related parties *	20.00	1.83	-	20.00
- Other body corporates	-	-	94.57	26.77
- Others	-	3.00	0.85	0.85
Total	**20.00**	**4.83**	**95.42**	**47.62**
* All the above loans have been given for business purpose only: refer note 40 (h)				
Note:				
Considered good (Unsecured)	20.00	4.83	95.42	47.62
Loans which have significant increase in Credit Risk	-	-	-	-
Loans which are credit impaired	-	-	-	-

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

10. Other financial assets (unsecured, considered good)

₹ Crore

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Interest receivable on				
Loan to related party (Refer 40(h))	-		1.71	2.03
Loan to Other body corporate	-	-	8.62	5.31
Investment classified as amortised cost	-	-	54.13	25.97
Interest receivable others	-	-	10.94	1.77
Rent receivable from related party (Refer note 40(h))	-	-	8.42	8.42
Other receivable	-	-	21.15	14.97
Insurance Claims receivable	-	-	-	9.31
Government grant income receivable	-	-	268.05	199.03
Seurity Deposit	12.19	23.90	27.53	3.33
Deferred Financial asset - Investment in Preference Share	49.66	56.14	6.48	6.48
Total	**61.85**	**80.04**	**407.03**	**276.62**

11. Deferred tax (liabilities)/ asset (Net)

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Deferred tax asset	51.87	41.73
Deferred tax (liabilities)/ asset (Net)	(545.71)	(352.32)
MAT credit entitlement	320.41	233.59
Total	**(225.31)**	**(118.73)**

Income tax expense

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. For each fiscal year, the 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 2021-22 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.

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Current tax:		
Current Tax	86.82	69.07
Tax/(Reversal)pertaining to earlier year	-	-
Deferred tax:		
Deferred Tax (Asset) / Liability	183.26	134.17
Minimum Alternate Tax Credit Entitlement	(86.82)	(69.07)
Total deferred tax	**96.44**	**65.10**
Total Tax Expense	**183.26**	**134.17**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

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:

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit Before Tax	**396.73**	**379.47**
Enacted Tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	**138.62**	**132.59**
Tax effect of:		
Income exempt from taxation	-	(0.08)
Expense not deductible in determining taxable profit	77.33	66.35
Expense allowed in determining taxable profit	(176.18)	(134.70)
Tax provision/(reversal) of earlier year	(5.16)	-
Others	(35.04)	(64.16)
Total Tax effect	**(139.06)**	**(132.59)**
Deferred tax on account of:		
Property, Plant & Equipment & Other Intangible Asset.	37.70	46.98
Unabsorbed losses	95.98	81.52
Financial Assets, Liabilities and Other Item	30.40	1.13
Deferred Tax	**164.08**	**129.63**
Deferred tax on OCI	**19.18**	**4.54**
Tax Expense recognised in Consolidated Statement of Profit and Loss	**183.26**	**134.17**
Effective Tax Rate	46.19%	35.36%

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 40 a).

Deferred tax assets / liabilities

Significant Components of deferred tax liabilities recognised in the Consolidated financial statement are as follows:

Deferred tax balance in relation to	As at 31st March 2021	Recognized/ Reversed through profit and loss	Recognized in/ reclassified from other comprehensive income	As at 31st March 2022
Property plant & Equipment	(604.56)	(34.00)	-	(638.56)
Carried forward business loss/unabsorbed depreciation	176.63	(105.66)	-	70.97
Provision for Employee benefit	3.34	-	0.23	3.57
Borrowings, Lease and Other Liability	76.86	(31.82)	-	45.04
Investment at FVTOCI	(4.17)	(2.60)	(19.38)	(26.15)
Others	(0.43)	(0.16)	-	(0.59)
Tax recognised in Statement of Profit and loss account	**(352.33)**	**(174.24)**	**(19.15)**	**(545.72)**
MAT Credit entitlement	233.59	86.82	-	320.41
Balance at the end of the year	**(118.74)**	**(87.42)**	**(19.15)**	**(225.31)**

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	(557.59)	(46.97)	-	(604.56)
Carried forward business loss/unabsorbed depreciation	266.64	(90.01)	-	176.63
Provision for Employee benefit	2.98	0.73	(0.37)	3.34
Borrowings, Lease and Other Liability	77.76	(0.90)	-	76.86
Investment at FVTOCI	-	-	(4.17)	(4.17)
Others	0.49	(0.92)	-	(0.43)
Tax recognised in Statement of Profit and loss account	**(209.72)**	**(138.07)**	**(4.54)**	**(352.33)**
MAT Credit entitlement	164.52	69.07	-	233.59
Balance at the end of the year	**(45.20)**	**(69.00)**	**(4.54)**	**(118.74)**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

Significant Components of deferred tax asset recognised in the Consolidated financial statement are as follows:

Deferred tax balance in relation to	As at 31st March 2021	Recognized/ Reversed through profit and loss	Recognized in/ reclassified from other comprehensive income	As at 31st March 2022
Property plant & Equipment	(18.59)	0.82	-	(17.77)
Carried forward business loss/unabsorbed depreciation	53.23	6.64	-	59.87
Provision for Employee benefit	0.42	(0.07)	(0.02)	0.32
Borrowings, Lease and Other Liability	1.22	2.73	-	3.95
Others	1.17	0.03	-	1.20
Tax recognised in Statement of Profit and loss account	**37.45**	**10.16**	**(0.02)**	**47.58**
MAT Credit entitlement	4.28	-	-	4.28
Balance at the end of the year	**41.73**	**10.16**	**(0.02)**	**51.86**

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	(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 at FVTOCI	-	-	-	-
Others	0.42	0.75	-	1.17
Tax recognised in Statement of Profit and loss account	**29.05**	**8.43**	**(0.03)**	**37.45**
MAT Credit entitlement	4.28	-	-	4.28
Balance at the end of the year	**33.33**	**8.43**	**(0.03)**	**41.73**

Group expects to utilize the MAT credit within a period of 15 years

Deferred tax assets on carry forward business loss/unabsorbed depreciation have been recognised to the extent of deferred tax liability on taxable temporary differences available. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax asset.

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in consolidated other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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.

12. Income tax assets

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Advance tax and Tax Deducted at Source	1.94	1.56
Total	**1.94**	**1.56**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

13. Other assets

₹ Crore

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Capital advances (Unsecured, considered good)*	371.87	247.72	-	-
Advance other than capital advance				
Advance to suppliers	-	-	198.05	101.27
Security deposits	28.68	27.44	94.63	-
Other assets (Unsecured, considered good)				
Gratuity	-	-	-	0.11
Indirect tax balances/recoverable/credits	-	-	120.91	87.11
Prepaid expenses	46.59	20.93	27.01	20.64
Advance to Employees	-	-	0.90	0.61
Other receivables	4.88	-	10.27	11.56
Total	**452.02**	**296.09**	**451.77**	**221.30**

*Capital Advance

₹ Crore

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Capital Advance considered good, Secured	371.87	247.72	-	-
Capital Advances considered good, Unsecured	-	-	-	-
Capital Advances which have significant increase in credit risk	-	-	-	-
Capital Advances-credit impaired	-	-	-	-
	371.87	**247.72**	**-**	**-**
Less: Allowance for expected credit loss	-	-	-	-
Total	**371.87**	**247.72**	**-**	**-**

14. Inventories

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Raw materials (includes stock in transit ₹ 4.55 Crore; previous year: 4.37 Crore) (at cost)	90.50	54.81
Semi finished goods (at cost)	17.43	18.81
Finished goods (at lower of cost and net realisable value)	57.32	20.57
Traded Goods	48.62	53.96
Stores and spares (includes stock in transit ₹ Nil Crore; previous year: 0.67) (at cost)	173.75	134.23
Fuel (at cost)	72.59	66.91
Total	**460.21**	**349.29**

Inventories have been pledged as security against certain bank borrowings of the Group as at 31st March 2022 (refer note 21 and 25)

Cost of inventory recognised as an expense

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Cost of material consumed	1,058.23	946.45
Changes in inventories of finished goods, semi finished goods and stock in trade	(35.36)	36.27
Stores and spares	56.22	44.20
Fuel	180.40	226.85
Total	**1,259.49**	**1,253.77**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

15. Trade Receivables

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Receivable considered good, Secured	102.39	80.94
Trade Receivable considered good, Unsecured	663.88	538.41
Trade receivable which have significant increase in credit risk	2.42	1.80
Trade Receivables-credit impaired	0.37	0.34
	769.06	**621.49**
Less: Allowance for expected credit loss	(2.79)	(2.14)
Total	**766.27**	**619.35**

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 Group as at 31 March, 2022 (refer note 25)

Trade receivables does not include any receivables from directors and officers of the company

Debts amounting to ₹ 7.73 Crore (previous year:₹ 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 39A.

Trade receivables from related parties details has been described in note 40(h).

Trade receivable ageing schedule
As at 31st March, 2022

Particulars	Outstanding for following periods from date of transaction					
	Less than < 6 Months	6 Months - 1 year	1-2 Years	2 - 3 Years	More than 3 Years	Total
Trade receivables - considered good						
- Disputed	-	-	-	-	-	-
- Undisputed	726.17	17.72	22.37	-	0.01	766.27
Trade receivables - which have significant increase in credit risk						
- Disputed	-	-	0.01	0.08	1.17	1.26
- Undisputed	-	0.32	0.84	-	-	1.16
Trade receivables - credit impaired						
- Disputed	-	-	-	-	-	-
- Undisputed	-	-	-	-	0.37	0.37

As at 31st March, 2021

Particulars	Outstanding for following periods from date of transaction					
	Less than < 6 Months	6 Months - 1 year	1-2 Years	2 - 3 Years	More than 3 Years	Total
Trade receivables - considered good						
- Disputed	-	-	-	-	-	-
- Undisputed	581.15	23.78	14.31	0.08	0.03	619.35
Trade receivables - which have significant increase in credit risk						
- Disputed	-	-	0.14	0.55	0.41	1.10
- Undisputed	-	0.03	0.56	0.06	0.06	0.70
Trade receivables - credit impaired						
- Disputed	-	-	-	-	-	-
- Undisputed	-	-	-	-	0.34	0.34

Unbilled dues for the financial year 2021-22 ₹ 0.67 cr (previous financial year Nil)

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

16. Cash and cash equivalents

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Balances with banks		
In current accounts	164.77	93.45
Term deposit with original maturity of less than 3 months	-	2.15
Cash on hand	0.06	0.05
Term deposit with original maturity of less than 3 months	-	-
Balance in Escrow account *	-	-
Total	**164.83**	**95.65**

17. Bank balances other than cash and cash equivalents

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Lien Earmarked balances*		
In term deposits	2.19	2.03
Margin Money	18.56	17.93
Term deposit with original maturity of more than 3 months but less than 12 months at inception	369.35	19.96
In Margin money *		
Total	**390.10**	**39.92**

* Lien for bank guarantee margin

18. Derivative assets

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Forward contract	16.53	4.21
Total	**16.53**	**4.21**

19. Equity Share Capital

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Authorised Capital		
1,800,000,000 (31st March 2021: 1,250,000,000) Equity shares of ₹ 10 each	1,800.00	1,250.00
170,000,000 (31st March 2021: 25,000,000) Preference shares of ₹ 100 each	1,700.00	250.00
Issued, Subscribed & Fully Paid Up Capital		
986,352,230 (31st March 2021: 986,352,230) Equity shares of ₹ 10 each fully paid up	986.35	986.35
Total	**986.35**	**986.35**

19.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
	No. of Shares	No. of Shares
Equity shares at the beginning of the year	98,63,52,230	98,63,52,230
Add: Fresh issue of shares during the year	-	-
Equity shares at the end of the year	**98,63,52,230**	**98,63,52,230**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

19.2 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.

19.3 Details of aggregate shareholding by holding company

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Adarsh Advisory Services Private Limited - Holding Company 893,067,550 (31 March 2021 893,067,550) Equity Shares of ₹ 10 each	893.07	893.07

19.4 Shareholders holding more than 5% of aggregate equity share in the company

₹ In Crore

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number of shares	% of holding	Number of shares	% of holding
Equity shareholding				
Adarsh Advisory Services Private Limited - Holding company	89,30,67,550	90.54%	89,30,67,550	90.54%

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

19.6 Shares held by promoters and promoter group at the end of the year:

₹ In Crore

Particulars	As at 31st March 2022		As at 31st March 2021		% change during the year
	Number of shares	% of holding	Number of shares	% of holding	
Promotor:					
Adarsh Advisory Services Private Limited	89,30,67,550	90.54	89,30,68,050	90.54	-
Promotor Group:					
JSW Investments Private Limited	-	-	4,15,89,726	4.22	(4.22)
Siddeshwari Tradex Private Limited	4,66,42,340	4.73	4,66,42,340	4.73	-
JSL Limited	2,00,52,114	2.03	50,52,114	0.51	1.52
Virtuous Tradecorp Private Limited	2,65,90,226	2.70	-	-	2.70

20. Other equity

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
i) Reserves & Surplus		
Retained earning	1,031.66	787.87
Share option outstanding reserve	46.53	40.87
Capital Reserve	8.12	8.12
Legal Reserve	3.95	3.95
ii) Items of Other comprehensive income:		
Foreign currency translation reserve	17.50	10.04
Cash Flow Hedge Reserve	16.38	4.21
Equity instruments through other comprehensive income	20.16	(15.93)
Total Other Equity	**1,144.30**	**839.13**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

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 accumulated 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.

Equity instruments through other comprehensive income

The fair value change of the equity instrument measured at fair value through other comprehensive income is recognised in Equity instrument through other comprehensive income

Cash flow hedge reserve

When a derivative is designated as a cashflow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cashflow hedging reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of Profit and Loss upon the occurrence of the related forecasted transaction.

21. Non Current Borrowings

₹ Crore

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Term Loans (at amortised cost)				
Secured				
From banks	2,497.12	2,133.49	476.10	408.14
From Financial Institution	89.57	-	10.00	-
Less: Unamortised upfront fees on borrowings	(10.99)	(9.76)	(3.75)	(3.58)
Other Loans (at Fair value through profit and loss)				
Unsecured				
Compulsory convertible preference shares	1,475.79	-	-	-
Total	**4,051.49**	**2,123.73**	**482.35**	**404.56**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

Rupee Term Loan from banks (Secured)

As on 31 March 2022		As on 31 March 2021		Terms of Repayment*	Security
Non-current	Current	Non-current	Current		
398.16	73.62	472.13	48.01	Four quarterly instalments of ₹ 18.40 Cr in FY23 Four quarterly instalments of ₹ 32.75 Cr in FY24 Four quarterly instalments of ₹ 38.68 Cr in FY25 Three quarterly instalments of ₹ 37.47 Cr in FY26	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
-	72.20	72.45	108.10	Two quarterly instalments of ₹ 27.02 Cr in FY23 one quarterly instalments of ₹ 18.15 Cr in FY23	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
417.88	90.98	859.50	118.28	Four quarterly instalments of ₹ 22.75 Cr in FY23 Four quarterly instalments of ₹ 26.31 Cr in FY24 Four quarterly instalments of ₹ 27.82 Cr in FY25 Four quarterly instalments of ₹ 25.13 Cr in FY26 Four quarterly instalments of ₹ 19.99 Cr in FY27 Four quarterly instalments of ₹ 4.62 Cr in FY28 One instalment of ₹ 2.43 in FY29	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
47.94	47.94	95.88	47.94	Four quarterly instalments of ₹ 11.99 Cr in FY23 Four quarterly instalments of ₹ 11.99 Cr in FY24	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
71.18	18.85	133.59	23.44	Four quarterly instalments of ₹ 4.71 Cr in FY23 Four quarterly instalments of ₹ 5.36 Cr in FY24 Four quarterly instalments of ₹ 5.53 Cr in FY25 Four quarterly instalments of ₹ 5.53 Cr in FY26 One quarterly instalments of ₹ 5.53 Cr in FY27	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
40.00	20.00	60.00	20.00	Four quarterly instalments of ₹ 5.00 Cr in FY23 Four quarterly instalments of ₹ 5.00 Cr in FY24 Four quarterly instalments of ₹ 5.00 Cr in FY25	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
43.75	17.50	-	-	Two half yearly instalments of ₹ 8.75 Cr in FY23 Two half yearly instalments of ₹ 8.75 Cr in FY24 Two half yearly instalments of ₹ 8.75 Cr in FY25 One half yearly instalments of ₹ 8.75 Cr in FY26	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
121.50	27.00	-	-	Four quarterly instalments of ₹ 6.75 Cr in FY23 Four quarterly instalments of ₹ 6.75 Cr in FY24 Four quarterly instalments of ₹ 6.75 Cr in FY25 Four quarterly instalments of ₹ 6.75 Cr in FY26 Four quarterly instalments of ₹ 6.75 Cr in FY27 Two quarterly instalments of ₹ 6.75 Cr in FY28	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
300.00	-	-	-	Single Repayment in Q3 FY 25	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
290.79	59.64	-	-	Four quarterly instalments of ₹ 14.28 Cr in FY23 Four quarterly instalments of ₹ 16.62 Cr in FY24 Four quarterly instalments of ₹ 18.80 Cr in FY25 Four quarterly instalments of ₹ 19.38 Cr in FY26 Four quarterly instalments of ₹ 18.43 Cr in FY27	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

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

As on 31 March 2022		As on 31 March 2021		Terms of Repayment*	Security
Non-current	Current	Non-current	Current		
76.68	-	-	-	Two quarterly instalments of ₹ 1.53 Cr in FY25 Four quarterly instalments of ₹ 1.53 Cr in FY26 Four quarterly instalments of ₹ 1.82 Cr in FY27 Four quarterly instalments of ₹ 1.82 Cr in FY28 Four quarterly instalments of ₹ 2.30 Cr in FY29 Four quarterly instalments of ₹ 2.30 Cr in FY30 Four quarterly instalments of ₹ 2.30 Cr in FY31 Four quarterly instalments of ₹ 2.30 Cr in FY32 Four quarterly instalments of ₹ 2.49 Cr in FY33 Two quarterly instalments of ₹ 3.07 Cr in FY34	secured on pari passu basis by way of equitable mortgage on present and future immovable project fixed assets of the company and by way of deed of hypothecation on present and future moveable project fixed assets of the company
80.00				Two quarterly instalments of ₹ 1.60 Cr in FY25 Four quarterly instalments of ₹ 1.60 Cr in FY26 Four quarterly instalments of ₹ 1.90 Cr in FY27 Four quarterly instalments of ₹ 1.90 Cr in FY28 Four quarterly instalments of ₹ 2.40 Cr in FY29 Four quarterly instalments of ₹ 2.40 Cr in FY30 Four quarterly instalments of ₹ 2.40 Cr in FY31 Four quarterly instalments of ₹ 2.40 Cr in FY32 Four quarterly instalments of ₹ 2.60 Cr in FY33 Two quarterly instalments of ₹ 3.20 Cr in FY34	secured on pari passu basis by way of equitable mortgage on present and future immovable project fixed assets of the company and by way of deed of hypothecation on present and future moveable project fixed assets of the company
100.00				Two quarterly instalments of ₹ 2.00 Cr in FY25 Four quarterly instalments of ₹ 2.00 Cr in FY26 Four quarterly instalments of ₹ 2.38 Cr in FY27 Four quarterly instalments of ₹ 2.38 Cr in FY28 Four quarterly instalments of ₹ 3.00 Cr in FY29 Four quarterly instalments of ₹ 3.00 Cr in FY30 Four quarterly instalments of ₹ 3.00 Cr in FY31 Four quarterly instalments of ₹ 3.00 Cr in FY32 Four quarterly instalments of ₹ 3.25 Cr in FY33 Two quarterly instalments of ₹ 4.00 Cr in FY34	secured on pari passu basis by way of equitable mortgage on present and future immovable project fixed assets of the company and by way of deed of hypothecation on present and future moveable project fixed assets of the company
53.23	-	-	-	Two quarterly instalments of ₹ 1.06 Cr in FY25 Four quarterly instalments of ₹ 1.06 Cr in FY26 Four quarterly instalments of ₹ 1.26 Cr in FY27 Four quarterly instalments of ₹ 1.26 Cr in FY28 Four quarterly instalments of ₹ 1.60 Cr in FY29 Four quarterly instalments of ₹ 1.60 Cr in FY30 Four quarterly instalments of ₹ 1.60 Cr in FY31 Four quarterly instalments of ₹ 1.60 Cr in FY32 Four quarterly instalments of ₹ 1.73 Cr in FY33 Two quarterly instalments of ₹ 2.13 Cr in FY34	secured on pari passu basis by way of equitable mortgage on present and future immovable project fixed assets of the company and by way of deed of hypothecation on present and future moveable project fixed assets of the company
2.36	3.41	5.70	3.58	18 Equated Monthly Instalment (EMI) started from April 2021 to Sep 2023. Principle repayment Qtr. June 22: ₹ 0.93 Crores Qtr. Sep 22: ₹ 0.95 Crores Qtr. Dec 22: ₹ 0.97 Crores Qtr. March 23: ₹ 0.99 Crores Qtr. June 23: ₹ 1.02 Crores Qtr. Sep 23: ₹ .91 Crores.	Secured by way of deed of hypothecation on Commercial Vehicle of the Group.
453.65	44.96	434.24	38.79	40 Quarterly Instalment starting from June 2021 to March 2031. Four Quarterly Instalments of ₹ 11.24 Crores in FY 23. Four Quarterly Instalments Of ₹ 12.47 Crores in FY 24. Four Quarterly Instalments Of ₹ 12.47 Crores in FY 25. Four Quarterly Instalments Of ₹ 12.47 Crores in FY 26. Four Quarterly Instalments Of ₹ 13.85 Crores in FY 27. Four Quarterly Instalments Of ₹ 13.85 Crores in FY 28. Four Quarterly Instalments Of ₹ 15.23 Crores in FY 29. Four Quarterly Instalments Of ₹ 16.63 Crores in FY 30. Four Quarterly Instalments Of ₹ 16.63 Crores in FY 31.	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.
2,497.12	**476.10**	**2,133.49**	**408.14**		

NOTES

To the Consolidated Financial Statements as at and for the year ended 31st March 2022

As on 31 March 2022		As on 31 March 2021		Terms of Repayment*	Security
Non-current	Current	Non-current	Current		
Term loan from Financial Institution					
89.57	10.00	-	-	Two quarterly instalments of ₹ 5.00 Cr in FY23 Four quarterly instalments of ₹ 5.00 Cr in FY24 Four quarterly instalments of ₹ 5.00 Cr in FY25 Four quarterly instalments of ₹ 5.00 Cr in FY26 Four quarterly instalments of ₹ 5.00 Cr in FY27 Two quarterly instalments of ₹ 5.00 Cr in FY28	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
2,586.69	**486.10**	**2,133.49**	**408.14**		

* Borrowing have been drawn at rate of interest at 3.40% to 8.75%

During the year, the Company has raised ₹ 1600 cr by way of issue of compulsorily convertible preference shares (CCPS) of face value ₹ 100 each. CCPS will be compulsorily convertible into equity shares of the company (equity share with face value of ₹ 10 each). The CCPS conversion will be on mutually agreed date or on IPO date. The CCPS conversion will be at the fair value on conversion date.

CCPS carries an annual coupon of 0.01% to be paid as cumulative preferential dividend as and when declared by the Company's Board of directors. Based on the criteria defined in IND AS 109, CCPS classified as financial liability

22. Lease Liabilities

₹ Crore

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Lease liabilities	410.43	190.74	21.86	14.93
Total	**410.43**	**190.74**	**21.86**	**14.93**

Lease liabilities

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Opening Lease liability	205.68	214.16
Additions	252.12	29.36
Interest accrued	26.00	16.78
Lease principal payments	(20.49)	(41.48)
Lease interest payments	(26.00)	(16.78)
Others	(5.02)	3.63
Closing Lease liability	**432.29**	**205.68**
Breakup of lease liability:		
Current	21.86	14.93
Non Current	410.43	190.74

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2022 on an undiscounted basis:

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Less than 1 years	32.03	34.02
1-5 years	119.98	121.88
more than 5 years	247.87	267.88
Total	**399.88**	**423.78**

NOTES

To the Consolidated Financial Statements as at and for the year ended 31st March 2022

23. Other non-current financial liabilities

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Payable for capital Project	0.24	5.94
Share based payment payable	-	5.34
Total	**0.24**	**11.28**

24. Provisions

₹ Crore

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Provision for employee benefits				
Gratuity (Refer note 40 f)	4.13	1.47	0.28	0.33
Leave encashment (Refer note 40 f)	9.32	9.86	-	0.03
Other provisions				
Mines restoration expenditure	75.99	37.96	-	-
Total	**89.44**	**49.29**	**0.28**	**0.36**

Note 24.1 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:

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Mines Restoration expenditure (to be settled at Mines closure)		
Opening Balance	37.96	25.92
Add: Unwinding of discount on mine restoration expenditure	4.92	2.26
Add: Additional asset created on account of revision of estimates	29.76	-
Add: Reversal of provision	(1.01)	9.78
Closing Balance	**75.99**	**37.96**

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.

25. Current Borrowings (at amortised cost)

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Secured loans		
Loan repayable on demand		
From bank -working capital loan	38.20	285.30
Unsecured loans		
Loan repayable on demand		
From bank -working capital loan	-	245.00
From Related parties	50.00	80.00
Commercial Papers	-	50.00
Current maturities of long-term borrowings (refer note 21)	482.37	404.57
Total	**570.57**	**1,064.87**

NOTES

To the Consolidated Financial Statements as at and for the year ended 31st March 2022

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.

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	7.27% to 13.75%
Short Term Loan	12.00%
Commercial Paper - NBFC	7.90%

26. Trade Payables

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Total outstanding dues of Micro enterprise and Small enterprise	33.52	20.53
Total outstanding dues of creditors other than Micro enterprises and small enterprises		
Acceptances	188.87	214.66
Other than acceptances	860.41	678.41
Total	**1,082.80**	**913.60**

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 40 (h) with respect to amount payable to Related Parties.

Trade payable ageing schedule

As at 31st March, 2022

Particulars	Outstanding for following period from date of transaction				
	Less than 1 year	1- 2 years	2 - 3 years	More than 3 years	Total
MSME	31.54	-	-	-	31.54
Others	579.10	45.59	1.41	2.64	628.74
Disputed - MSME	1.99	-	-	-	1.99
Disputed - Others	-	-	-	-	-
Total	**612.62**	**45.59**	**1.41**	**2.64**	**662.26**
Add: Acceptances					188.87
Add: Unbilled					231.67
Total					**1,082.80**

As at 31st March, 2021

Particulars	Outstanding for following period from date of transaction				
	Less than 1 year	1- 2 years	2 - 3 years	More than 3 years	Total
MSME	20.53	-	-	-	20.53
Others	456.04	5.41	0.16	1.98	463.59
Disputed - MSME	-	-	-	-	-
Disputed - Others	-	-	-	-	-
Total	**476.56**	**5.41**	**0.16**	**1.98**	**484.12**
Add: Acceptances					214.66
Add: Unbilled					214.82
Total					**913.60**

NOTES

To the Consolidated Financial Statements as at and for the year ended 31st March 2022

Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Company):

₹ Crore

Sl No	Particulars	As at 31st March 2022	As at 31st March 2021
1	Principal amount due outstanding as at 31st March	33.53	20.53
2	Principal amount overdue more than 45 days	-	4.92
3	Interest due on (2) above and unpaid as at 31st March	-	0.04
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	-	-

27. Derivative liability

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Forward contract (refer note 40 e)	-	0.23
Total	**-**	**0.23**

28. Other current financial liabilities

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Interest accrued but not due on borrowings	0.13	0.22
Payable for capital projects		
- Acceptances	10.92	22.48
- Other than acceptances	204.72	205.64
Security Deposit received	241.12	193.54
Share based payments payable	11.17	4.87
Del Credre Finance payable	102.39	80.94
Total	**570.45**	**507.69**

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.

29. Other current liabilities

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Current dues of long-term employee benefits	2.70	1.84
Advances from customers	3.53	18.56
Statutory liabilities	103.00	106.69
Other Payables	0.99	0.44
Total	**110.22**	**127.53**

NOTES
To the Consolidated Financial Statements as at and for the year ended 31st March 2022

30. Revenue From Operations

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
A. Sale of Products		
Finished goods	4,236.71	3,649.34
Traded	318.72	119.49
B. Other operating revenue		
Scrap sale	32.13	18.79
Job Work Income	12.00	3.75
Total revenue from contracts with customers (A+B)	**4,599.56**	**3,791.37**
C. Government grant income (refer note 2 (x))	69.01	70.53
Revenue from operations	**4,668.57**	**3,861.90**

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 Group recognises income based on eligibility to the extent of 90% of SGST paid by it in cash from government of West Bengal.

Incentive under Odissa scheme
The Parent Company unit at Jajpur in Odissa is eligible for incentives under the Odissa Industrial Policy Resolution - 2015 in the form of SGST refunds. The Group recognises income based on eligibility to the extent of 100% of SGST paid by it in cash from government of Odissa.

Reconciliation of Revenue from sale of products with the contracted price

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Contracted Price	5,151.26	4,180.10
Less: Trade Discount, Volume, Rebate etc.	(595.83)	(411.27)
Sale of Products Total	**4,555.43**	**3,768.83**

Revenue recognised from Contract liability (Advances from Customers):

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Closing Balance of Contract Liability	3.53	18.56

The contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2022.

Product wise turnover

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Finished goods		
Cement	2,749.09	2,497.64
GGBS	1,012.27	709.89
Screen Slag	38.47	43.87
RMC	119.53	48.90
Clinker	259.24	120.01
Limestone	283.06	307.47
Others	93.77	40.74
Total	**4,555.43**	**3,768.52**

NOTES
To the Consolidated Financial Statements as at and for the year ended 31st March 2022

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 Company expects to be entitled in exchange for those goods or services.

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Revenue from contracts with customer	4,555.43	3,768.83
Other operating revenue	113.14	93.07
Total revenue from operations	**4,668.57**	**3,861.90**
India	4,376.80	3,578.73
Outside India	291.78	283.17
Total revenue from operations	**4,668.57**	**3,861.90**
Timing of revenue recognition		
At a point in time	4,668.57	3,861.90
Total revenue from operations	**4,668.57**	**3,861.90**

31. Other Income

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest income on financial assets		
Interest income from loan to Related party (refer note 40 (h))	0.34	0.35
Interest income from Others	21.50	8.96
Interest on Debentures	29.55	28.41
Dividend income from non current investments designated at FVTOCI	0.55	0.24
Gain on Financial assets	5.50	-
Write Back of excess provision	4.71	7.56
Insurance claim income	7.25	12.11
Derivative Liability for CCPS-designated at FVTPL	124.21	-
Miscellaneous income	1.30	4.10
Total	**194.91**	**61.73**

32. Cost of raw material consumed

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Inventory at the beginning of the year	54.81	117.17
Add: Purchases	1,093.92	884.09
Less: Inventory at the end of the year	(90.50)	(54.81)
Total	**1,058.23**	**946.45**

33. Purchases of Stock in trade

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Granulated Blast Furnace Slag	16.24	8.55
Cement	9.81	7.98
Limestone	127.26	-
Total	**153.31**	**16.53**

NOTES
To the Consolidated Financial Statements as at and for the year ended 31st March 2022

34. Changes in inventories of finished goods, work-in- progress and stock-in-trade

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Inventories at the beginning of the year		
Finished goods	20.57	44.83
Semi finished goods	18.81	30.82
	39.39	**75.65**
Inventories at the end of the year		
Finished goods	57.32	20.57
Semi finished goods	17.43	18.81
Total Inventories at the end of the year	**74.75**	**39.39**
Total	**(35.36)**	**36.27**

35. Employee benefits expense

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Salaries and wages	217.14	182.76
Employee stock option expense	10.49	9.57
Contributions to provident fund and other funds (Refer note 40 f)	7.20	6.59
Gratuity expense (Refer note 40 f)	3.24	2.31
Staff welfare expenses	6.56	3.84
Total	**244.63**	**205.07**

36. Other expenses

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Consumption of stores and spares	56.22	44.20
Packing Cost	130.28	105.61
Repairs and maintenance expenses:		
-Repairs to buildings	2.78	2.43
-Repairs to machinery	59.89	45.23
-Job Work charges	20.10	10.61
-Others	9.64	10.79
Rent	2.46	8.02
Rates and taxes	6.97	4.20
Insurance	12.08	9.34
Legal & professional	40.59	37.37
Advertisement & publicity	75.49	52.80
Commission on sales	62.79	50.72
Rebates & discounts	34.10	8.55
Selling & distribution expenses	7.19	7.96
Branding fees	6.87	5.02
Auditors remuneration (Refer note 40(i))	0.37	0.36
Loss on sale of Property, Plant and Equipment	13.73	6.81
Postage & telephone	1.36	1.78
Printing & stationery	0.50	0.71
Travelling expenses	18.44	17.39
Corporate social responsibility expense (Refer note 40 l)	5.25	4.88
Software and IT related expenses	10.34	3.42
Net loss on foreign currency translation and transactions	2.68	0.78
Donation	1.03	1.79
Port handling charges	94.00	79.71
Miscellaneous expenses	64.15	72.03
Total	**739.30**	**592.51**

NOTES
To the Consolidated Financial Statements as at and for the year ended 31st March 2022

37. Finance Costs

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest expenses	246.77	262.72
Interest on finance lease liabilities	26.00	16.36
Unwinding of interest on financial liabilities carried at amortised cost	4.48	0.99
Unwinding of discount on mines restoration expenditure	4.92	2.66
Deferred Financial asset expenses	6.47	2.16
Fair Value Loss arising from Financial Asset designated as FVTPL	0.77	-
Other borrowing cost	25.96	5.76
Total	**315.37**	**290.65**

Interest expenses cost includes interest paid to security deposit received from dealers, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowing to the extent they are regarded as an adjustment to the interest cost.

38. Depreciation And Amortisation Expense

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Depreciation on Property, plant and equipment	177.56	148.95
Depreciation on Asset constructed on property not owned by Group	9.96	8.99
Depreciation on Right of use assets	31.66	18.07
Amortization of Intangible assets	5.88	2.67
Total	**225.06**	**178.68**

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 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.

₹ Crore

Particulars	31st March 2022	31st March 2021
Long term borrowings	4,051.49	2,123.73
Short term borrowings	570.57	1,064.87
Less: Cash and cash equivalent	(164.83)	(95.65)
Less: Bank balances other than cash and cash equivalents	(390.10)	(39.92)
Net Debt	**4,067.13**	**3,053.03**
Total Equity	**2,130.65**	**1,825.47**
Gearing ratio	**1.91**	**1.67**

(i) Equity includes all capital and reserves of the company that are managed as capital attributed to owners of parent Company. (Refer note 19 and 20)

(ii) Debt is defined as long-term and short-term borrowings. (refer note 21 and 25)

NOTES
To the Consolidated Financial Statements as at and for the year ended 31st March 2022

B. Categories of financial instruments

₹ Crore

Particulars	31st March 2022		31st March 2021	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	164.83	164.83	95.65	95.65
Bank balances other than cash and cash equivalents	390.1	390.10	39.92	39.92
Trade receivables	766.27	766.27	619.35	619.35
Loans	115.42	115.42	95.77	95.77
Other financial assets	485.41	485.41	360.87	360.87
Non current investments	285.53	285.53	295.50	295.50
Total financial assets at amortised cost (A)	**2,207.56**	**2,207.56**	**1,507.06**	**1,507.06**
Measured at fair value through Profit and Loss				
Non current investments	119.44	119.44	35.22	35.22
Total financial assets at fair value through Profit and Loss (B)	**119.44**	**119.44**	**35.22**	**35.22**
Measured at fair value through other comprehensive income				
Non current investments	78.60	78.60	23.13	23.13
Total financial assets at fair value through other comprehensive income (C)	78.60	78.60	23.13	23.13
Total Financial assets (A+B+C)	**2,405.60**	**2,405.60**	**1,565.41**	**1,565.41**
Financial liabilities				
Measured at amortised cost				
Long term borrowings	2,575.70	2,575.70	2,123.73	2,123.73
Short term borrowings	570.57	570.57	1,064.87	1,064.87
Trade payable	1,082.80	1,082.80	913.60	913.60
Other financial liabilities	981.13	981.13	709.94	709.94
Total financial liabilities at amortised cost	**5,210.20**	**5,210.20**	**4,812.14**	**4,812.14**
Measured at fair value through profit and loss				
Long term borrowings	1,475.79	1,475.79	-	-
Total financial liabilities at fair value through profit and loss	**1,475.79**	**1,475.79**	**-**	**-**

Fair value hierarchy of financial instruments

₹ Crore

Particulars	31st March 2022	31st March, 2021	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial assets :				
Investment in Equity Shares measured at FVTOCI	78.60	23.13	Level 1	Quoted Bid Prices in an active market.
Investment in Preference shares measured at FVTPL	40.71	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.
Investment in Debentures measured at FVTPL	78.73	-	Level 3	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Borrowing measured at fair value through profit and loss	1,475.79	-	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Derivative (Assets)/ Liabilities	-16.53	0.23	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Loans to related parties and intercorporate loans	114.57	48.60	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.

NOTES
To the Consolidated Financial Statements as at and for the year ended 31st March 2022

Sensitivity analysis of Level 3:

₹ Crore

Particulars	Valuation Technique	Significant unobservable inputs	Change	Sensitivity of the input of fair value
Investment in Preference shares	DCF Method	Discounting Rate of 10.5%	0.50%	0.5% Increase (decrease) in the discount would decrease (increase) the fair value of ₹ 0.16 Crore
Investment in debentures	DCF Method	Discounting Rate of 11%	0.50%	0.5% Increase (decrease) in the discount would decrease (increase) the fair value of ₹ 0.09/₹ 1.93 Crore.

Reconciliation of Level 3 Fair Value Measurement

₹ Crore

Particulars	Amount (₹)
Balance as on 31st March,2021	35.22
Addition made during the year	84.99
Allowance for loss(deferred)	0.77
Balance as on 31st March,2022	**119.44**

The carrying amount of Trade Receivable, Trade Payable, Capital Creditors, Cash and Cash Equivalents and other Bank Balances are considered to be the same as their fair values due to their short term nature.

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values

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

₹ Crore

Particulars	31st March 2022	31st March, 2021	Fair value hierarchy	Valuation technique(s) and key input(s)
Investment in Optionally Convertible Debentures				
Carrying value	283.00	295.50	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	283.00	295.50		
Loans				
Carrying value	115.42	95.77	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	115.42	95.77		
Long term borrowings				
Carrying value	4,533.84	2,528.29	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value *	2,973.22	2,541.63		

* In view of management, Value as per amortised cost is fair value

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.

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

D. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Market risk
- Interest rate risk
- Credit risk; and
- Liquidity risk

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivatives for speculative purposes.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate.

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

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Fixed rate borrowings	5.77	164.28
Floating rate borrowings	4,631.01	3,024.31
Total borrowings	**4,636.78**	**3,188.59**
Total Net borrowing	4,622.04	3,175.25
Add: Upfront fees	14.74	13.34
Total borrowings	**4,636.78**	**3,188.59**

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, 2022 would decrease / increase by ₹ 43.68 Crore (for the year ended 31 March 2021: decrease / increase by ₹ 31.77 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 5.97%.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.

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

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:

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Balance at the beginning of the year	**1.80**	**1.97**
Change in allowance for trade receivable which have significant increase in credit risk	0.62	(0.07)
Trade receivable written off during the year	-	0.10
Balance as at the end of the year	**2.42**	**1.80**

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 22 and 31st March 21 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 in debt securities

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 2022

₹ Crore

Particulars	Contractual cash flows			
	< 1 year	1-5 year	> 5 years	Total
Financial assets				
Cash and cash equivalents	164.83	-	-	164.83
Bank balances other than cash and cash equivalents	390.10	-	-	390.10
Trade receivables	766.27	-	-	766.27
Loans	95.42	20.00	-	115.42
Non current investments	-	-	483.57	483.57
Other financial assets	423.56	61.85	-	485.41
Total Financial assets	**1,840.18**	**81.85**	**483.57**	**2,405.60**
Financial liabilities				
Long term borrowings	-	3,323.75	727.74	4,051.49
Short term borrowings	570.57	-	-	570.57
Trade payable	1,082.80	-	-	1,082.80
Other financial liabilities	570.45	410.67	-	981.12
Total financial liabilities	**2,223.82**	**3,734.42**	**727.74**	**6,685.98**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

Liquidity exposure as at 31st March 2021

₹ 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	39.92	-	-	39.92
Trade receivables	619.35	-	-	619.35
Loans	47.63	4.83	-	52.46
Non current investments	-	-	353.85	353.85
Other financial assets	280.83	80.04	-	360.87
Total Financial assets	**1,083.38**	**84.87**	**353.85**	**1,522.10**
Financial liabilities				
Long term borrowings	-	1,649.86	473.87	2,123.73
Short term borrowings	1,064.87	-	-	1,064.87
Trade payable	913.60	-	-	913.60
Other financial liabilities	507.92	202.02	-	709.94
Total financial liabilities	**2,486.39**	**1,851.88**	**473.87**	**4,812.14**

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 31 March 2022

Particulars	CHF	USD	EURO	AED	INR	Total
Financial assets						
Cash and cash equivalents	-	-	-	25.54	139.29	164.83
Bank balances other than cash and cash equivalents	-	-	-	23.13	366.97	390.10
Trade receivables	-	5.32	-	52.40	708.55	766.27
Loans	-	-	-	-	115.42	115.42
Non current investments	-	-	-	-	483.57	483.57
Other financial assets	-	-	-	16.96	468.45	485.41
Total Financial assets	**-**	**5.32**	**-**	**118.03**	**2,282.25**	**2,405.60**
Financial liabilities						
Long term borrowings	-	448.40	-	-	3,603.07	4,051.49
Short term borrowings	-	43.80	-	-	526.82	570.57
Trade payable	0.07	-	-	325.60	757.17	1,082.80
Other financial liabilities	-	-	-	32.18	948.94	981.12
Total financial liabilities	**0.07**	**492.17**	**-**	**357.74**	**5,836.00**	**6,685.98**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

Currency exposure as at 31 March 2021

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	17.72	39.92
Trade receivables	-	-	-	93.08	526.27	619.35
Loans	-	-	-	0.14	52.32	52.46
Non current investments	-	-	-	-	353.85	353.85
Other financial assets	-	-	-	4.22	356.65	360.87
Total Financial assets	**-**	**-**	**-**	**151.07**	**1,371.63**	**1,522.10**
Financial liabilities						
Long term borrowings	-	429.1	-	-	1,694.61	2,123.73
Short term borrowings	-	-	-	-	1,064.87	1,064.87
Trade payable	-	6.77	0.07	174.80	731.96	913.60
Other financial liabilities	-	37.70	-	134.66	537.58	709.94
Total financial liabilities	**-**	**473.59**	**0.07**	**309.46**	**4,029.02**	**4,812.14**

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 31 March 2022 would decrease / increase by ₹ 2.08 Crore (for the year ended 31 March 2021: decrease / increase by ₹ 3.06 Crore).

40. Other Notes

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

₹ Crore

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
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	15.76	52.40
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	4.87	1.35
v)	Entry Tax	0.06	0.06
vi)	Income Tax	15.70	5.00
vii)	Compensation for excess mining of Limestone	18.58	18.58
	Total	**79.47**	**101.89**

b) Commitments:

₹ Crore

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
i)	Estimated amount of Contract remaining to be executed on capital accounts and not provided for (net of advances)	920.38	670.34

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.

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

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 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.

Under this policy three grants were given 1st on 1st April 2016, 2nd on 1st April 2017 & 3rd on 1st April 2018. In the ESOP Committee held on 25th March, 2021 Grant 4 & Grant 5 under ESOP Plan 2016 were scrapped and keeping all other conditions in the plan unchanged

As the Parent Company has grown substantially in last 5 years and with an intention that all the employee (including new employee added in last five years) working for the Parent Company should benefit from the Company ESOP Plan, the Parent Company in the Extra-Ordinary meeting held on 30th November 2021 approved the Employee Stock Ownership Plan 2021 ('ESOP Plan 2021'). Under ESOP Plan 2021, all the employees on the Parent company payroll will receive based on defined criteria maximum three grants.

Under the new policy, the Paremt Company has given 1st Grant on 1st December, 2021

The total number of grants available under both ESOP plan is 51,913,275 and the key terms of and position grants under both the policy is as under

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 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 -	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
Options outstanding (31.03.2020) Vested Unvested	40,65,150 40,65,150 -	41,37,929 20,68,965 20,68,964	1,09,76,897 - 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
Options lapsed (FY 2021-22)	-	28,481	6,58,947
Options forfeited (Cash settled) (FY 2021-22)	3,65,076	3,81,042	6,46,984
Options outstanding (31.03.2022) Vested Unvested	28,35,373 28,35,373 -	33,34,883 33,34,883 -	86,44,403 86,44,403 -
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

NOTES

To the Consolidated Financial Statements as at and for the year ended 31st March 2022

Particulars	FY 2016-17 (Grant 1)	FY 2017-18 (Grant 2)	FY 2018-19 (Grant 3)
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 expected option life	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility expected option life	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility expected option life

Expenses related to current financial year is debited to Profit & Loss Account ₹ 2.34 crore (Previous Year ₹ 2.42 crore). Expenses related to earlier financial years due to change the plan is recognized as Exceptional items current year: Nil (Previous Year: ₹ 35.40 crore)

ESOP Plan 2021 plan - Outstanding and relevant terms are as follows:

<table>
<tr><th>Particulars</th><th colspan="2">FY 2021-22 (Grant 1)</th></tr>
<tr><td>Date of Grant</td><td colspan="2">1st December, 2021</td></tr>
<tr><td>Vesting Period</td><td colspan="2">25% in 12 months
i.e. from 01.12.2021 to 01.12.2022
25% in 16 months
i.e. from 01.12.2021 to 01.04.2023
25% in 28 months
i.e. from 01.12.2021 to 01.04.2024</td></tr>
<tr><td>Option Granted on 1st April</td><td colspan="2">55,61,408</td></tr>
<tr><td>Options Lapsed (upto FY 2021-22)</td><td colspan="2">370,657</td></tr>
<tr><td>Options outstanding (31.03.2022)
Vested
Unvested</td><td colspan="2">51,90,391
-
51,90,391</td></tr>
<tr><td>Method of settlement (on vesting)</td><td colspan="2">Equity Settled</td></tr>
<tr><td>Exercise Price (₹ per share)</td><td colspan="2">10.00</td></tr>
<tr><td rowspan="4">Fair Value on date of grant</td><td>Vesting date</td><td>Fair value</td></tr>
<tr><td>01.12.2022</td><td>89.40</td></tr>
<tr><td>01.04.2023</td><td>89.55</td></tr>
<tr><td>01.04.2024</td><td>90.01</td></tr>
<tr><td>A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information</td><td colspan="2">The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are</td></tr>
<tr><td>Weighted average values of the share price</td><td colspan="2">Not Applicable</td></tr>
<tr><td>Expected Volatility</td><td colspan="2">Average rate of 35%
Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry</td></tr>
<tr><td>Expected Option life</td><td colspan="2">7 years</td></tr>
</table>

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

Particulars	FY 2021-22 (Grant 1)
Risk-Free Interest rate	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
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

Expenses related to current financial year is debited to Profit & Loss Account ₹ 8.14 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 Group and outstanding are as under:

As at	No. of Contracts	Type	USD equivalent (million)	₹ Crore equivalent
31st March,2022	-	-	-	-
31st March,2021	2	Buy	9.71	71.93

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	AED equivalent (million)	CHF equivalent (million)	EURO equivalent (million)	USD equivalent (million)	₹ Crore equivalent
a)	Import of Raw material & Fuel					
	As at 31st March 2022	-	-	-	-	-
	As at 31st March 2021	-	-	0.01	0.92	6.84
b)	Trade receivable					
	As at 31st March 2022	-	-	-	0.72	5.32
	As at 31st March 2021	-	-	-	-	-
c)	Trade payable					
	As at 31st March 2022	-	0.00	-	-	0.07
	As at 31st March 2021	-	-	-	-	-
d)	Loan given to subsidiary					
	As at 31st March 2022	14.69	-	-	-	11.37
	As at 31st March 2021	-	-	-	-	-
e)	Interest Receivable					
	As at 31st March 2022	-	-	-	-	0.12
	As at 31st March 2021	-	-	-	-	-

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 2022	-	-
	As at 31st March 2021	9.69	71.79
b)	Interest Accrued but not due on Suppliers'/ Buyers' Credit		
	As at 31st March 2022	-	-
	As at 31st March 2021	0.02	0.14

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

f) Employee Benefits:

i) Defined Contribution Plan:

Retirement Benefits in the form of Provident Fund and National Pension Scheme which are defined contribution schemes are charged to the statement of profit and loss for the period in which the contributions to the respective funds accrue as per relevant rules / statutes.

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 31 March 2022 by external agencies. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

iii) Defined Benefit Plans – Gratuity: Funded

₹ Crore

Particulars	As at 31st March 2022 Funded	As at 31st March 2021 Funded
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	10.95	9.47
Service Cost	2.08	1.84
Interest Cost	0.74	0.64
Actuarial (gain)/loss on obligation	0.51	(0.73)
Benefits paid	(0.82)	(0.27)
Closing Balance	**13.46**	**10.95**
b. Fair Value of Plan assets:		
Opening Balance of Fair Value of Plan Assets	11.06	7.78
Expected Return on Plan assets less loss on investments	0.75	0.53
Actuarial gain / (loss) on Plan Assets	(0.15)	0.26
Employers' Contribution	0.80	2.76
Benefits paid	(0.82)	(0.27)
Closing Balance	**11.64**	**11.06**
c. Net Asset/(Liability) recognized in the Balance Sheet:		
Present Value of obligations	(13.46)	(10.95)
Fair Value of plan asset	11.64	11.06
Net Asset/(Liability) recognized in the Balance Sheet (Refer Note 13 and 24)	**(1.82)**	**0.11**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

₹ Crore

Particulars	As at 31st March 2022 Funded	As at 31st March 2021 Funded
d. Expenses during the Year:		
Service cost	2.08	1.84
Interest cost	0.74	0.64
Expected Return on Plan assets	(0.75)	(0.53)
Component of defined benefit cost recognized in the statement of Profit & Loss	**2.07**	**1.95**
Component of defined benefit cost recognized in Other comprehensive income	**0.66**	**(1.00)**
e. Break up of Plan Assets as a percentage of total plan assets:		
Insurer Managed Funds – Value (99.37%)	11.59	10.99
Bank (0.63%)	0.05	0.07
f. Principal actuarial assumptions:		
Rate of Discounting	6.50%	6.8%
Rate of increase in salaries	6%	6.0%
Attrition Rate	14%	2.0%
g. Breakup of Plan Assets		
HDFC Group Unit Linked Plan - Option B	1.28	1.24
HDFC Life Stable Management Fund	1.28	1.23
HDFC Life Defensive Managed Fund	0.77	0.71
Canara HSBC OBC Life Group Traditional Plan	8.26	7.81
Bank Balance	0.05	0.07
Total	**11.64**	**11.06**

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 ₹ 0.80 Crore (Previous Year ₹ 2.76 Crore)

iv) Experience adjustments

₹ Crore

Particulars	As at 31st March 2022 Funded	As at 31st March 2021 Funded	As at 31st March 2020 Funded	As at 31st March 2019 Funded	As at 31st March 2018 Funded
Defined Benefit Obligation	13.46	10.95	9.47	7.28	5.71
Plan Assets	11.64	11.06	7.78	6.21	4.14
Deficit	(1.82)	0.11	(1.69)	(1.07)	(1.57)
Experience Adjustments on Plan Liabilities–Loss/(Gain)	0.03	(0.73)	(0.30)	0.08	0.61
Experience Adjustments on Plan Assets–Loss/(Gain)	-	-	0.09	(0.05)	(0.01)

a) The Group expects to contribute 3.89 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 2022

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 2022		As at 31st March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(12.81)	14.17	(9.85)	12.24
Future salary growth (1% movement)	14.17	(12.80)	12.24	(9.83)
Attrition rate (50% attrition rate)	13.39	(13.47)	10.99	(10.89)
Mortality rate (10% mortality rate)	13.46	13.46	10.95	10.94

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

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Weighted average duration (based on discounted cash-flows)	5 years	11 Years
1 Year	2.68	0.43
2 to 5 Year	7.23	3.11
6 to 10 Year	5.46	4.18
More than 10 Years	4.39	19.29

vii) Defined Benefit Plans – Gratuity: Non-Funded

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	1.81	1.59
Acquisition adjustment		
Service Cost	0.76	0.09
Interest Cost	0.10	0.10
Actuarial (gain)/loss on obligation	0.31	(0.11)
Benefits paid	(0.40)	(0.22)
Closing Balance	**2.59**	**1.45**
b. Expenses during the Year:		
Service cost	0.77	0.09
Interest cost	0.10	0.10
Total	**0.87**	**0.19**
Component of defined benefit cost recognized in the Consolidated statement of Profit & Loss	0.78	0.08
Component of defined benefit cost recognized in Consolidated Other comprehensive income	0.09	0.11
Total	**0.87**	**0.19**
d. Principal actuarial assumptions:		
Rate of Discounting	2%-7.15%p.a.	6.35%p.a.
Rate of increase in salaries	5%-6.% p.a.	6% p.a.
Attrition Rate	2.% p.a.	2% p.a.

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

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 2012-14.

i) Experience adjustments

₹ Crore

Particulars	As at 31st March, 2022 Unfunded	As at 31st March, 2021 Unfunded	As at 31st March, 2020 Unfunded	As at 31st March, 2019 Unfunded	As at 31st March, 2018 Unfunded
Defined Benefit Obligation	2.59	1.45	1.60	1.27	1.19
Deficit	(2.59)	(1.45)	(1.60)	(1.27)	(1.19)
Experience Adjustments on Plan Liabilities-Loss/(Gain)	(0.43)	(0.10)	0.15	0.00	0.01
Experience Adjustments on Plan Assets-Loss/(Gain)	-	-	-	-	-

The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The discount rate is based on the prevailing market yeilds of Government of India securities as at the balance sheet date for estimate term of the obligations.

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.

₹ Crore

Particulars	As at 31st March 2022		As at 31st March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	2.39	2.81	1.37	1.55
Future salary growth (1% movement)	2.80	2.39	1.55	1.37
Attrition rate (1% movement)	2.45	2.80	1.46	1.45
Mortality rate (1% movement)	2.58	2.59	1.45	1.45

iii) Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cash flows): 5 years

Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31 March 2022	0.28	1.07	2.73	4.08
As at 31 March 2021	0.33	0.77	1.29	2.39

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.

iv) 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 ₹ 4.93 Crore (Previous Year ₹ 4.5 Crore)

Group's contribution to National pension scheme recognized in statement of Profit and Loss ₹ 0.52 Crore (Previous Year ₹ 0.35 Crore).

Group's contribution to ESIC recognized in Consolidated Statement of Profit and Loss ₹ 0.06 Crore (Previous Year ₹ 0.08 Crore).

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

v) Compensated Absences- Unfunded

Assumptions used in accounting for compensated absences

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Present value of obligation	12.02	11.15
Expense recognized in Consolidated Statement of Profit or loss	1.94	4.26
Discount rate (p.a.)	2.9% to 7.15%	6.35 to 6.80%
Salary escalation (p.a.)	5.00%-6.00%	6.00%

vi) 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

₹ Crore

Particulars	For Year ended 31st March 2022	For Year ended 31st March 2021
Within India	4376.79	3578.73
Outside India	291.78	283.17
Total	**4668.57**	**3861.90**

Revenue from operations have been allocated on the basis of location of customers

b) Non-current operating assets

Particulars	As at 31st March 2022			As at 31st March 2021		
ASSETS	Within India	Outside India	Total	Within India	Outside India	Total
(a) Property, plant and equipment	3,138.50	694.86	3,833.36	3,110.78	644.66	3,755.44
(b) Capital work-in-progress	862.13	10.16	872.29	263.74	25.37	289.11
(c) Right of use	203.20	226.73	429.93	212.23	-	212.23
(c) Other intangible assets	76.34	-	76.34	26.53	-	26.53
(d) Intangible assets under development	3.95	-	3.95	5.07	-	5.07
(e) Goodwill	233.23	-	233.23	230.30	-	230.30
(f) Financial assets						
(i) Investments	483.57	-	483.57	353.85	-	353.85
(ii) Loans	20.00	-	20.00	4.83		4.83
(iii) Other financial assets	61.81	0.04	61.85	80.04	-	80.04
(g) Deferred tax assets (net)	51.87	-	51.87	41.73	-	41.73
(h) Income tax assets (net)	1.94	-	1.94	1.56	-	1.56
(i) Other non-current assets	363.75	88.27	452.02	163.23	89.54	252.77
Total non-current assets	**5,500.29**	**1,020.06**	**6,520.35**	**4,493.89**	**759.57**	**5,253.46**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

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
	JSW Power Trading Company Limited (Formerly known as JSW Green Energy Limited)
	JSW Steel Coated Products Limited
	JSW Techno Projects Management Limited
	Amba River Coke Limited
	Dolvi Coke Project Limited
	JSW International Tradecorp PTE Limited
	JSW Bengal Steel Limited
	JSW Steel (Salav) Limited
	Descon Limited
	JSW Dharamtar Port Private Limited
	JSW Global Business Solutions Limited (formerly known as Sapphire Technologies Limited)
	South-West Mining Limited
	JSW IP Holdings Private Limited
	JSW Sports Private Limited
	Gopal Traders Private Limited
	JSW Foundation
	JSW Realty and Infrastructure Private Limited
	JSW Projects Limited
	JSW Sever field Structures Limited
	Tranquil Homes & Holdings Private Limited
	JSW Jaigarh Port Limited
	JSW Paints Private Limited
	JSW Structural Metal Decking
	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
	Windsor Residency Private Limited
	JSW Vijayanagar Mettalics Limited
	Bhushan Power & Steel Limited
	JSW Structural Metal Decking Limited
	Inspire Institute of Sports
	Jindal Sanjeevani Hospital
	JSW One Distribution Limited
	Neotrax Steel Private Limited
	Sapphire Airlines Private Limited
	JSW One Platforms Limited
	Algebra Endeavour Private Limited
	JSW Steel USA Inc.
	JSW Steel USA Ohio Inc.
	Monnet Ispat and Energy Limited

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

3	**Key Managerial Personnel**
	Mr. Parth Jindal (Managing Director)
	Mr. Nilesh Narwekar (Whole Time Director & CEO)
	Mr. Narinder Singh Kahlon (Parent Company Director – Finance & Commercial)
	Mr Manoj Rustagi (Whole Time Director of Subsidiary Company – Shiva Cement Limited)
	Mr.Girish Menon (Chief Financial Officer of Subsidiary Company – Shiva Cement Limited)
	Ms Sneha Bindra (Company secretary)
	Mr Nirmal Kumar Jain (Independent Director)
	Mr Jugal Kishore Tandon (Director)
	Mr Pankaj Kulkarni (Independent Director)
	Ms Sutapa Banerjee (Independent Director)
	Mr Kantilal Patel (Director)
	Mr Sumit Banerjee (Independent Director)

B) Nature of transactions:

₹ Crore

Transactions during the Year	For the year ended 31st March 2022	For the year ended 31st March 2021
Purchase of Goods/ Power & Fuel/ Services:		
JSW IP Holdings Private Limited	6.87	7.05
JSW Steel Limited	209.93	133.83
JSW Energy Limited	146.12	117.52
JSW Steel Coated Products Limited	1.45	0.23
South - West Mining Limited	0.13	0.04
JSW International Tradecorp PTE Limited	-	23.81
JSW Dharamtar Port Private Limited	4.90	9.91
Amba River Coke Limited	14.66	6.17
JSW Power Trading Co. Limited	-	6.74
JSW Global Business Solutions Limited	7.72	7.66
JSW Ispat Special Products Limited	0.32	0.59
JSW GMR Cricket Private Limited	-	0.01
JSW Bengaluru Football Club	2.00	0.01
JSW Processors & Traders Private Ltd	20.10	10.61
JSW Paints Limited	-	1.35
JSW Green Energy Limited	4.59	-
Bhushan Power & Steel Limited	1.47	-
JSW Structural Metal Decking Limited	0.06	-
Inspire Institute of Sports	0.17	-
Everbest Consultancy Service Pvt Ltd	0.08	-
Jindal Sanjeevani Hospital	0.08	-
	420.65	**325.53**
Lease liability repayment:		
JSW Steel Limited	2.66	2.57
JSW Bengal Steel Limited	1.62	1.54
Descon Limited	0.95	0.95
JSW Realty and Infrastructure Private Limited	0.73	0.62
Tranquil Homes & Holdings Private Limited	0.54	0.49
	6.50	**6.17**
Lease Interest cost:		
JSW Steel Limited	0.55	0.79
JSW Bengal Steel Limited	0.80	0.84
Descon Limited	0.24	0.29
JSW Realty and Infrastructure Private Limited	0.15	0.17
Tranquil Homes & Holdings Private Limited	0.01	0.06
	1.75	**2.15**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

₹ Crore

Transactions during the Year	For the year ended 31st March 2022	For the year ended 31st March 2021
Donation/ CSR expense:		
JSW Foundation	0.19	1.38
	0.19	**1.38**
Purchase of Assets:		
JSW Energy Limited	-	95.67
	-	**95.67**
Reimbursement of expenses:		
JSW Steel Limited	76.01	0.23
JSW Realty and Infrastructure Private Limited	0.04	0.01
JSW Energy Limited	4.24	0.82
Tranquil Home and Holding Private Ltd	0.02	0.02
	80.31	**1.08**
Sales of Goods / Other Income:		
JSW Steel Limited	161.60	345.40
JSW Steel Coated Products Limited	7.77	8.63
JSW Energy Limited	1.06	2.92
Amba River Coke Limited	0.21	0.50
JSW Dharamtar Port Private Limited	1.82	2.23
JSW Techno Projects Management Limited	2.84	0.03
JSW Jaigarh Port Limited	-	0.51
JSW Paints Private Limited	0.63	0.44
JSW Severfield Structures Limited	-	0.22
JSW Projects Limited	0.02	0.22
JSW Foundation	0.27	0.16
JSW Realty & Infrastructure Private Limited	2.11	3.11
Gopal Traders Private Limited	0.03	0.03
Epsilon Carbon Private Limited	0.41	0.13
JSW Ispat Special Products Limited	0.31	0.31
South – West Mining Limited	0.01	-
JSW Vijayanagar Mettalics Limited	52.56	-
Bhushan Power & Steel Limited	0.83	-
JSW One Distribution Limited	0.08	-
Neotrax Steel Private Limited	2.01	-
Windsor Residency Private Limited	0.11	
	234.68	**364.84**
Interest income on Loan/Deposit given to		
JSW Global Business Solutions Limited	0.20	0.27
JSW Sports Private Limited	29.55	28.41
JSW Paints Private Limited	-	0.08
JTPM Metal traders	1.91	1.90
Sapphire Airlines Private Limited	0.15	-
	31.81	**30.66**
Sale of Assets:		
JSW Processors & Traders Private Limited	-	13.08
	-	**13.08**
Interest paid on loan /deposit taken from		
JSW Paints Private limited	-	1.16
JSW Dharamtar port Private Limited	-	0.07
South West Mining Limited	9.56	1.47
	9.56	**2.70**

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

₹ Crore

Transactions during the Year	For the year ended 31st March 2022	For the year ended 31st March 2021
Investment in Equity Share		
JSW One Platforms Limited	6.72	-
	6.72	**-**
Change in fair valuation of Equity Share		
JSW Energy Limited	55.47	-
	55.47	**-**
Investment in Non-Cumulative Debenture:		
Everbest Consultancy Service Private Limited	-	100.00
	-	**100.00**
Algebra Endeavour Private Limited (Zero Coupon Compulsory Convertible Debentures)	78.73	-
	78.73	**-**
Recovery of expenses:		
JSW Energy Limited	0.11	-
JSW Bengaluru Football Club Private Limited	0.53	0.65
JSW Steel Limited	-	3.09
JSW Bengal Steel Limited	0.27	0.40
	0.91	**4.14**
Deposit given		
JSW Realty and Infrastructure Private Limited	1.18	1.29
Sapphire Airlines Private Limited	3.00	-
	4.18	**1.29**
Deposit received back		
JSW Bengal Steel	0.28	0.25
	0.28	**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		
JSW Paints Limited	-	60.00
South West Mining Limited	30.00	15.00
	30.00	**75.00**
Investment redemption		
JSW Sports Private Limited	12.50	13.50
	12.50	**13.50**
Loan given		
JSW Paints Limited	-	7.50
	-	**7.50**
Loan Given- Received Back		
JSW Global Business Solutions Limited	1.84	0.59
JSW Paints Private Limited	-	7.50
Jindal Steel & Power Ltd	1.66	
	3.50	**8.09**

* Amount excludes duties and taxes

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

Compensation to Key Management Personnel

₹ Crore

Nature of transaction	FY 2021-22	FY 2020-21
Short-term employee benefits**	13.34	10.03
Sitting fees	1.27	0.54
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	**14.61**	**10.57**

I. The Group has accrued ₹ 1.13 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 31 March 2022, 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, 2022 was Amounting ₹ 45.12 Crore. These loans are unsecured and carry an interest rate 9.50% per annum

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 ₹ 2.06 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 ₹ 1.62 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 ₹ 0.73 Crore, renewable at option of both the parties.

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

C) Closing balances:

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Payables:		
JSW Steel Limited	44.11	6.20
JSW Energy Limited	16.49	31.96
South - West Mining Limited	0.02	-
Amba River Coke Limited	9.20	4.15
JSW Power Trading Co. Limited	-	0.48
JSW Global Business Solutions Limited	-	2.86
JSW IP Holding Private Limited	2.69	5.24
JSW Dharamtar Port Private Limited	2.48	1.07
JSW Processors & Traders Private Limited	2.08	-
JSW Realty and Infrastructure Private Limited	0.61	-
Tranquil Homes & Holding Private Limited	0.05	-
JSW Ispat Special Products Limited	0.03	-
JSW Foundation	0.01	0.36
Descon Limited	0.09	-
JSW Steel Coated Products Ltd.	-	0.27
JSW Bengal Steel Limited		0.10
Inspire Institute of sports	0.06	
	77.92	**52.82**
Security and other deposits given		
JSW Bengal Steel Limited	2.00	2.25
JSW IP Holdings Private Limited	0.10	0.10
JSW Steel Limited	104.95	10.32
JSW Realty and Infrastructure Private Limited	4.46	3.27
Sapphire Airlines Private Limited	3.00	
	114.51	**15.94**
Advances Given		
JSW Steel Coated Products Limited	0.09	0.04
JSW Ispat Special Products Limited	0.08	0.37
JSW Power Trading Company Limited	0.62	0.59
Descon Limited	0.01	0.01
JSW Foundation	-	0.39
JSW Bengaluru Football Club Private Limited	0.50	0.73
JSW Green Energy Ltd	0.32	0.32
JSW Processors & Traders Private Limited	2.11	0.03
JSW Structural Metal Decking Limited	-	0.02
Bhushan Power and Steel Limited	0.64	-
JSW Energy Limited	4.82	-
JSW STEEL (USA) INC.	0.72	0.72
JSW Steel USA Ohio, Inc.	0.72	0.72
JSW Steel Limited	23.51	3.90
	34.14	**6.40**
Trade Receivables:		
JSW Steel Limited	121.78	54.85
JSW Steel Coated Products Limited	1.82	2.67
JSW Energy Limited	3.23	3.28
JSW Techno Projects Management Limited	0.57	0.03
JSW Dharamtar Port Private Limited	0.39	2.06
JSW Paints Private Limited	0.05	0.08

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To the Consolidated Financial Statements as at and for the year ended 31st March 2022

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Amba River Coke Limited	0.45	0.98
JSW Foundation	-	0.07
JSW Realty and Infrastructure Private Limited	2.27	1.55
JSW Severfield Structures Limited	0.11	0.11
JSW Ispat Special Products Limited	0.01	-
Neotrex Steel Private Limited	0.2	-
JSW One Distribution Limited	0.03	-
JSW Vijaynagar Metallics	20.08	-
Gopal Traders Private Limited	0.01	0.01
JSW Projects Limited	0.08	0.48
JSW Processors & Traders Private Limited	-	9.43
Windsor Residency Private Limited	-	-
	151.08	**75.60**
Advance Received		
Dolvi Coke Project Limited	0.20	0.20
Epsilon Carbon Private Limited	0.14	0.03
Epsilon Advanced Materials Private Limited	0.01	0.01
JSW Foundation	0.04	-
JSW Techno Projects Management Limited	0.01	-
	0.40	**0.24**
Other Receivables		
JSW Steel Limited	10.58	11.38
JSW Dharamtar Port Private Limited	0.50	-
Monnet Ispat & Energy Limited	0.58	-
	11.66	**11.38**
Loan given		
JSW Global Business Solutions Limited	-	1.84
JTPM Metal Trader Private Limited	20.00	20.00
Monnet Ispat & Energy Limited	25.12	-
	45.12	**21.84**
Loan taken		
South West Mining Limited	50.00	80.00
Interest receivable on Investment in Debenture		
JSW Sports Private Limited	54.13	25.97
Interest Payable on Loan Availed		
South West Mining Limited	-	1.36
JSW Paints Private Limited	0.02	0.02
	0.02	**1.38**
Interest receivable on Loan given		
JSW Global Business Solutions Limited	-	0.25
Monnet Ispat & Energy Limited	2.47	2.47
Sapphire Airlines Pvt Ltd	0.13	-
JTPM Metal Trader Private Limited	1.71	1.78
	4.31	**2.03**
Lease Liability:		
JSW Steel Limited	3.22	5.33
JSW Bengal Steel Limited	8.09	8.62
Descon Limited	2.07	2.73
JSW Realty and Infrastructure Private Limited	1.40	1.66
Tranquil Homes & Holdings Private Limited	-	0.43
	14.78	**18.77**

NOTES
To the Consolidated Financial Statements as at and for the year ended 31st March 2022

i) Remuneration to Auditors of Parent Company

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Audit Fees		
Statutory Audit	0.37	0.35
Certification & Out of pocket expenses	0.00	0.01
Total	**0.37**	**0.36**

j) 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

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit attributable to equity holders of the Parent Company:	244.27	258.79
Profit attributable to equity holders of the Parent Company adjusted for the effect of dilution	244.27	258.79

ii. Weighted average number of ordinary shares of Parent Company

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Issued ordinary shares at April 1	986,352,230	986,352,230
Effect of shares issued for cash	-	-
Weighted average number of shares at March 31st for basic EPS	**986,352,230**	**986,352,230**

iii. Effect of Dilution

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Share Application Money	-	-
Convertible preference shares	-	-
Weighted average number of shares at March 31st	**986,352,230**	**986,352,230**

iv. Basic and Diluted earnings per share

₹ Crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Basic earnings per share	2.48	2.62
Diluted earnings per share	2.48	2.62

NOTES
To the Consolidated Financial Statements as at and for the year ended 31st March 2022

k) Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act.

₹ Crore

Particulars	Party	2021-22 Max amount O/s during the year	2021-22 Closing Balance	2020-21 Max amount O/s during the year	2020-21 Closing Balance
Loan	JSW Global Business Solutions Private Limited	1.84	-	2.42	1.84
	JTPM Metal Traders Private Ltd	20.00	20.00	20.00	20.00
	Monnet Ispat & Energy limited	25.12	25.12	25.12	25.12
	Jindal Steel and Power Limited	1.66	0.00	20.37	1.65
	Jasani Realty Private Limited	43.59	43.59	43.31	43.31
	Niwas Residential & Commercial Properties Pvt Ltd	70.30	70.30		
Deposit	Sapphire Airlines Private Limited	3.00	3.00	-	-
Total		115.42	115.42	-	48.60
Investments	JSW Energy Limited	-	78.60	-	23.13
	Everbest Consultancy service Private Limited	-	96.86	-	100.00
	JSW Sports Private Limited	-	283.00	-	295.5
	JSW One Platforms Limited	-	6.72	-	-
	Algebra Endeavour Private Limited-Debenture	-	78.73	-	-
Total			**543.91**	**-**	**418.63**

Details of investment made by the Group are given under note 7,8,9.

l) Details of Corporate Social Responsibility (CSR) Expenditure:

The Group has incurred an amount of ₹ 5.22 Crore (31 March 2021 ₹ 4.88) towards Corporate social responsibility (CSR) as per Section 135 of the Companies Act, 2013 and is included in other expenses.

₹ Crore

Particulars	As at 31st March 2022	As at 31stMarch 2021
Amount required to be spent as per Section 135 of the Act	5.45	3.52
Amount spend during the year on:		
(i) Construction / acquisition of an asset		-
(ii) On purpose other than (i) above	5.22	4.88
Shortfall at the end of the year	-	-
Total	**5.22**	**4.88**
Nature of CSR activities	1. Improving living conditions 2. Promoting social development 3. Rural development projects 4. Swachcha Bharat Abhiyan 5. Addressing social inequalities 6. Promotion of sports	
Amount unspent, if any	0.23	
Details of related party transactions	Donation paid to JSW Foundation, a related party in relation to CSR expenditure	

m) Acquisition of Shiva Cement Limited

On 30th June 2017, the Parent Company acquired control over Shiva cement limited (SCL), associate company (49.41% equity stake) through acquisition of additional 4.12% of the equity shares in a phased manner. Shiva Cement limited is a listed company based in Rourkela and is primarily engaged in the business of manufacture and sale of cement, clinker and trading of allied products. The acquisition has been accounted by applying the acquisition method and accordingly the underlying assets, liabilities, equity, income, expenses and cash flows of Shiva Cement limited have been combined after giving effect to necessary adjustments in the Consolidated Financial Statements.

NOTES
To the Consolidated Financial Statements as at and for the year ended 31st March 2022

Fair values of the identifiable assets and liabilities of Shiva Cement Limited as at the date of acquisition

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
Other non-current asset	15.02
Inventories	9.63
Trade receivable	2.71
Cash and bank balances	1.91
Other current financial asset	0.55
Other current assets	4.14
Total assets (A)	**194.43**
Liabilities	
Long term borrowings	89.35
Long term provision	4.24
Short term borrowings	10.87
Trade payable	7.03
Other current financial liability	13.14
Other current liability	3.90
Short term provision	0.36
Total liabilities (B)	**128.89**
Acquisition date fair value of net assets C = (A-B)	**65.54**

Re-measurement of the Group's previously held 49.41% stake in Shiva cement limited

₹ 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**

n) Goodwill recognised with respect to investment in Subsidiary and Joint Venture

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Acquisition date fair value of net assets (A)	2.22	0.30
Fair value of consideration (stake acquired) (B)	5.15	13.30
Goodwill on acquisition recognised as asset (B-A)	**2.93**	**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 2022

a) Joint Venture
Details of the group's joint ventures are as follows:

Sr No.	Name of the jointly controlled company	Country of incorporation	% of holding As at 31st March 2022	% of holding As at 31st March, 2021
1	JSW One Platforms Limited	India	15%	-

The above Joint Venture is accounted using the equity method in these consolidated financial statements:

Following tables sets out the summarised financial information of JSW One Private Limited.:

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Current assets	15.79	4.55
Non-current assets	18.68	3.36
Current liabilities	(16.97)	(4.26)
Non-current liabilities	(0.69)	(1.16)
Share in net assets of joint venture	2.53	-
Other consolidation adjustments	-	-
Carrying amount of the Company's interest in joint venture	2.53	-

Particulars	March 22 (2months)	March 21
Revenue from operations	8.87	-
Profit / (loss) for the period	(8.37)	-
Other comprehensive income/(loss)	-	-
Total comprehensive income / (loss) for the Period	(8.37)	-
Share in Profit/(Loss) of joint venture	(1.26)	-

Sr No.	Name of Joint Ventures	Shares of Associate/Joint Ventures held by the company on the year end: Number	Amount of Investment in Joint Venture	Extent of Holding	Net worth attributed to shareholder	Profit/Loss for the year: Considered in consolidation	Not considered in consolidation	Reason why Joint Venture is not considered for consolidated
1	JSW One Platforms Limited	39,168	6.72	15%	16.81	(1.26)	-	-

b) 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 As at 31st March 2022	As at 31st March 2021	Principal activity
Shiva Cement limited	India	59.32%	59.32%	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

NOTES
To the Consolidated Financial Statements as at and for the year ended 31st March 2022

c) Non-controlling interest
Financial information of Shiva Cement Limited

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Non-current assets	755.87	275.01
Current assets	142.48	26.89
Non-current liabilities	670.21	247.74
Current liabilities	270.86	71.43
Equity attributable to owners of the company	(24.09)	(10.24)
Non-controlling interest	(18.63)	(7.03)

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Revenue	7.27	32.59
Expenses	43.78	62.07
Exceptional item	-	-
Loss for the year	(25.52)	(21.97)
Loss attributable to owners of the company	(13.89)	(13.98)
Loss attributable to the non-controlling interests	**(11.63)**	**(7.99)**
Loss for the year	(25.52)	(21.97)
Other Comprehensive income attributable to owners of the company	0.04	0.05
Other Comprehensive income attributable to the non-controlling interests	0.03	0.03
Other Comprehensive income for the year	**0.07**	**0.08**
Total Comprehensive income attributable to owners of the company	(13.86)	(13.93)
Total Comprehensive income attributable to the non-controlling interests	(11.59)	(7.96)
Total Comprehensive income for the year	**(25.45)**	**(21.89)**

₹ Crore

Particulars	As at 31st March 2022	As at 31st March 2021
Net cash inflow (outflow) from operating activities	(41.62)	(7.81)
Net cash inflow (outflow) from investing activities	(432.42)	(75.13)
Net cash inflow (outflow) from financing activities	479.38	89.79
Net cash inflow (outflow)	5.34	6.85

d) 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.

e) Other statutory information:
- The Group does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

NOTES

To the Consolidated Financial Statements as at and for the year ended 31st March 2022

- The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- The Group is not declared willful defaulter by and bank or financials institution or lender during the year.
- The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- The Group does not have any transactions with companies which are struck off

41. Disclosure of additional information pertaining to the Parent Company, Subsidiary, Associates and Joint Venture as per Schedule III of Companies Act,2013.

₹ Crore

Name of the Entity	Net Asset i.e. total assests 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	90%	1,907.03	130.07%	302.60	65.14%	36.06	117.59%	338.66
Subsidiary								
Indian								
Shiva Cement Limited	-1%	(24.09)	-5.97%	(13.89)	0.07%	0.04	-4.81%	(13.85)
Utkarsh Trasport Private Limited	0%	(9.29)	-1.95%	(4.53)	0.00%	-	-1.57%	(4.53)
JSW Green Cement Private Limited	0%	(0.03)	-0.01%	(0.03)	0.00%	-	-0.01%	(0.03)
Foreign								
JSW Cement FZE	12%	254.50	-16.60%	(38.61)	34.74%	19.23	-6.73%	(19.38)
Non controlling interest in subsidiaries	-1%	(18.63)	-5.00%	(11.63)	0.05%	0.03	-4.03%	(11.60)
Joint Venture (Investment as per Equity Method)								
JSW One Platforms Limited	0%	2.53	-0.54%	(1.26)	0.00%	-	-0.44%	(1.26)
Total	**100%**	**2,112.02**	**100%**	**232.65**	**100%**	**55.36**	**100%**	**288.01**

Previous year figures have also been reclassified/regrouped,wherever necessary, to confirm to current year's classification

As per our attached report of even date

For HPVS & Associates
Chartered Accountants
F.R.N. 137533W

For and on behalf of the Board of Directors

Vaibhav L Dattani
Partner
Membership No.: 144084
UDIN: 22144084AMC01Z7963

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 & Commercial
DIN: 03578016

Place: Mumbai
Date: 4th May, 2022

Sneha Bindra
Company Secretary

NOTICE

NOTICE is hereby given that the **16th ANNUAL GENERAL MEETING** of the Members of JSW Cement Limited will be held on Thursday, September 15, 2022 at 11.00 a.m. at the Registered Office of the Company at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Kantilal Narandas Patel (DIN: 00019414), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Biswadip Gupta (DIN: 00048258), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Appointment of Mr. K. Swaminathan (DIN: 01447632) as a Whole-Time Director of the Company

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 2(54), 196, 197, 198 , 203 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act, including any statutory modification(s) or re-enactment thereof, the consent of the shareholders be and is hereby accorded for re-designation and appointment of Mr. K. Swaminathan (DIN-01447632) as Whole-Time Director of the Company for a period of 3 (three) years from August 17, 2022 to August 16, 2025 and will be designated as 'Chief Strategy Officer', liable to retire by rotation, upon such terms and conditions, including remuneration, as set out in the explanatory statement annexed hereto."

   RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include any committee(s) constituted or to be constituted by the Board to exercise the powers conferred on the Board by this Resolution) shall, in accordance with the statutory limits for the time being in force and approvals as may be applicable, be at full liberty to modify and amend the terms and conditions of the said appointment and / or remuneration, from time to time, as it may deem fit and to take such steps and do and perform all such acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to this Resolution.

   RESOLVED FURTHER THAT notwithstanding anything stated hereinabove, where in any financial year during the currency of tenure of Mr. K. Swaminathan (DIN: 01447632), the Company incurs loss or its profits are inadequate, the Company shall pay to Mr. K. Swaminathan (DIN: 01447632), remuneration by way of salary and perquisites and allowances, subject to conditions specified in Schedule V to the Companies Act, 2013 or any amendments thereto.

   RESOLVED FURTHER THAT Mr. K. Swaminathan (DIN: 01447632) shall continue have general control and management of the business and shall exercise and perform all such powers and duties, which in the ordinary course of business may be considered necessary, proper and in the interest of the Company, subject to directions or restrictions as given or imposed by Board of Directors from time to time and by law for time being in force."

5. Intercorporate Loan to Shiva Cement Limited

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to section 185 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder as may be amended, from time to time, consent of Members of the Company be and is hereby accorded to the Board of the Directors of the Company (the term may include the Committee of the Board to whom power have been delegated by the Board) to give unsecured Intercorporate Loan to Shiva Cement Limited, subsidiary Company in which any of the Directors of the Company are interested or deemed to be interested, upto an aggregate amount not exceeding ₹700 Crores (Rupees Seven Hundred Crores only) outstanding at any point of time and on such terms & conditions, including interest and tenure, as they may in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to undertake all such all such acts, deeds, matters and things, and to take such steps, settle any question, difficulty or doubt that may arise with regard to the aforesaid transaction and execute such agreements, documents and writings/instruments and to make such filing, as may be necessary or desirable for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto in the best interest of the Company.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to delegated all or any of the powers conferred on it by or under this resolution to any Director or Authorised Representative (s) of the Company in order to give effect to this resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution be and are hereby approved and confirmed."

6. To enhance the limits for extending loans, making investments and providing guarantees or security under Section 186 of the Companies Act, 2013:

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 ('the Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ('the Board', which term shall include any Committee authorized by the Board to exercise its powers including powers conferred on the Board by this resolution) to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, in excess of limits prescribed under Section 186 of the Act but shall not exceed a sum of ₹6,500 Crores (Rupees Six Thousand and Five Hundred Crores only).

   RESOLVED FURTHER THAT the Board of Directors (including a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution and to make, sign and execute, on behalf of the Company, such deed, documents, agreements, undertakings and all other necessary papers as may be required; to accept modifications to the same as may be necessary and to do all such acts, deeds and things that may be required or considered necessary or incidental for the same."

7. Fix the remuneration of Cost Auditor

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded for the payment of remuneration of ₹3,30,000/- (Rupees Three Lakhs Three Thousand Only) plus out of pocket expenses, travelling and other expenses (which would be reimbursable at actuals) plus taxes, wherever applicable, to be paid to M/s Kishore Bhatia & Associates, appointed as a Cost Auditor by the Board of Directors of the Company to conduct the audit of cost records of the Company for the Financial Year 2022-23"

   RESOLVED FURTHER THAT any Director of the Company or the Chief Financial Officer or the Company Secretary be and are hereby severally authorised to take all necessary actions including filing of forms with the Ministry of Corporate Affairs to give effect to this resolution."

   Shareholders are requested to make it convenient to attend the Meeting.

By Order of the Board
For **JSW Cement Limited**

Sd/-
Sneha Bindra
Company Secretary

Place: Mumbai
Date: August 17, 2022

NOTES:

1. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 in respect of the business under Item No. 4 to 7 set out with reasons proposing the resolutions as stated in the Notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument(s) appointing the Proxy, if any, shall be deposited at the Registered Office of the Company at JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051 not less than forty-eight (48) hours before the commencement of the Meeting and in default, the instrument of Proxy shall be treated as invalid. Proxies shall not have any right to speak at the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable.

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or members.
4. Members are requested to intimate the Registrar and Share Transfer Agent of the Company, KFIN Technologies Private Limited, Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddi Telangana 500032 immediately of any change in their mailing address or email address in respect of equity shares held in physical mode and to their Depository Participants (DPs) in respect of equity shares held in dematerialized form.
5. Shareholders desirous of having any information regarding Annual Accounts are requested to address their queries to the Chief Financial Officer at the Registered Office of the Company at least seven days before the date of the Annual General Meeting, so that the requisite information can be made available at the Annual General Meeting.
6. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days of the Company, during office hours, upto the date of the Annual General Meeting.
7. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
8. Members/Proxies are requested to bring their attendance slip duly filled in along with their copy of Annual Report to the Meeting.