

DIRECTORS' REPORT

Dear Shareholders,

On behalf of the Board of Directors, it gives a great pleasure to present the 17th Annual Report and Audited Financial Statements of JSW CEMENT LIMITED ("the Company") for the financial year ended 31 March 2023.

1. Financial Performance-Standalone:

The key highlights of financial performance for the Company as reflected by its Audited Financial Statements for the Financial Year ended 31 March 2023 is summarised below:

Particulars	(₹ in crore)			
	Standalone		Consolidated	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Revenue from operations	4,770.74	4,099.22	5,836.72	4,668.57
Other income	135.23	100.98	90.01	70.70
Fair value gain arising from financial instruments designated as FVTPL	-	124.21	-	124.21
Gain on change in ownership interests in Joint venture and change in relationships	-	-	55.48	-
Total Income	4,905.97	4,324.41	5,982.21	4,863.48
Expenses				
Cost of material consumed	1,107.24	1,008.29	1,124.36	1,067.05
Purchases of stock in trade	42.36	26.94	450.00	153.31
Changes in inventories of finished goods, work-in- progress and stock-in-trade	(7.55)	(22.83)	(7.39)	(44.18)
Employee benefits expense	264.81	217.53	294.63	244.63
Finance costs	261.46	282.83	310.23	314.60
Depreciation and amortisation expense	232.29	169.95	373.21	238.47
Power and fuel	797.33	598.70	1,032.35	759.14
Freight and handling expenses	1,122.95	967.70	1,414.67	1,107.18
Fair value loss arising from financial instruments designated as FVTPL	135.36	0.77	135.36	0.77
Other expenses	646.67	580.99	715.16	631.89
Less: Captive consumption	(3.41)	(5.09)	(3.90)	(7.37)
Total Expenses	4,599.51	3,825.78	5,838.68	4,465.49
Profit before share of Profit/(Loss) from Joint Venture and Tax	306.46	498.63	143.53	397.99
Share of loss from joint venture	-	-	(18.69)	(1.26)
Profit before Tax	306.46	498.63	124.84	396.73
Total tax expense	99.50	174.24	66.29	164.08
Profit for the year	206.96	324.39	58.55	232.65
Other Comprehensive Income/(loss)	(12.59)	35.66	(8.52)	55.36
Total Comprehensive Income/(loss)	194.37	360.05	50.03	288.01

2. Overview of Company's Performance Highlights

a. Consolidated Performance

The total consolidated production of Portland Slag Cement ("PSC"), Ordinary Portland Cement ("OPC") Concreel HD, Composite Cement (CC), Portland Pozzolana Cement ("PPC") and Ground Granulated Blast Furnace Slag ("GGBS") during the year under review was 9.61 MTPA (PSC 3.07 MTPA, OPC 0.89 MTPA, Concreel HD 1.21 MTPA, CC 0.59 MTPA, and GGBS 3.85 MTPA) as compared to production of 8.82 MTPA (PSC 3.05 MTPA, OPC 0.99 MTPA, Concreel HD 1.09 MTPA, CC 0.55 MTPA, PPC 0.01 MTPA and GGBS 3.13 MTPA) in the previous

year, recording increase of 9.0% over previous year. The total consolidated sales of PSC, OPC, PPC, CC and GGBS during the year under review as 9.61 MTPA (PSC 3.05 MTPA, OPC 0.90 MTPA, Concreel HD 1.22 MTPA, CC 0.59 MTPA, GGBS 3.85 MTPA) as compared to sales of 8.80 MTPA (PSC 3.04 MTPA, OPC 0.99 MTPA, Concreel HD 1.08 MTPA, CC 0.55 MTPA, PPC 0.01 MTPA and GGBS 3.13 MTPA) in previous year recording an increase of 9.2% over previous year.

b. Standalone Performance

The total standalone production of Portland Slag Cement ("PSC"), Ordinary Portland Cement ("OPC") Concreel HD, Composite Cement (CC), and Ground Granulated Blast

Furnace Slag ("GGBS") during the year under review was 9.61 MTPA (PSC 3.07 MTPA, OPC 0.89 MTPA, Concreel HD 1.21 MTPA, CC 0.59 MTPA, and GGBS 3.85 MTPA) as compared to production of 8.82 MTPA (PSC 3.05 MTPA, OPC 0.99 MTPA, Concreel HD 1.09 MTPA, CC 0.55 MTPA, PPC 0.01 MTPA and GGBS 3.13 MTPA) in the previous year, recording increase of 9.1% over previous year. The total consolidated sales of PSC, OPC, PPC, CC and GGBS during the year under review as 9.61 MTPA (PSC 3.05 MTPA, OPC 0.90 MTPA, Concreel HD 1.22 MTPA, CC 0.59 MTPA, GGBS 3.85 MTPA) as compared to sales of 8.79 MTPA (PSC 3.04 MTPA, OPC 0.99 MTPA, Concreel HD 1.08 MTPA, CC 0.55 MTPA, 0.01 PPC MTPA and GGBS 3.13 MTPA) in previous year recording an increase of 9.3% over previous year.

3. Financial Statement:

The audited Standalone and Consolidated Financial Statements of the Company, which form a part of this Annual Report, have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards.

4. Dividend:

Equity Shares

The Board of Directors have not recommended any dividend on the equity shares of the Company.

Preference Shares

The Board of Directors have declared a dividend at a coupon rate of 0.01% on proportionate basis of ₹23.96 lakh to 16,00,00,000 Compulsory Convertible Preference shares (CCPS) holders for the financial year FY2021-22 and FY 2022-23.

5. Capital Structure of your Company:

• Authorised Share Capital:

The Authorised Share Capital of the Company as on 31 March 2023:

₹35,00,00,00,000 (Rupees Thirty-Five Hundred crore) consisting of:

- ▶ 1,80,00,00,000 (One Hundred and Eighty crore) Equity Shares of face value of ₹10 (Rupees One Ten) each and
- ▶ 17,00,00,000 (Seventeen crore) compulsorily convertible preference shares of face Value of ₹100 (Rupees One Hundred) each.

• Issued, subscribed and paid up share capital Share Capital:

The issued, subscribed and paid up share capital of the Company as on 31 March 2023:

- ▶ ₹9,86,35,22,300/- (Ninety Hundred Eight Six crore Thirty-Five lakh Twenty-Two Thousand Three Hundred only), comprising of 98,63,52,230, (Ninety-Eight crore Sixty-Three lakh Fifty-Two Thousand Two Hundred Thirty) Equity shares of ₹10/- (Rupees Ten) each.
- ▶ 16,00,00,000 Compulsorily Convertible Preference Shares ("CCPS") of ₹100/- each to:
 - ▶ ₹ 7,50,00,000 (Seven crore Fifty Lakh) to Synergy Metals Investments Holding Limited
 - ▶ ₹ 7,50,00,000 (Seven crore Fifty Lakh) to AP Asia Opportunistic Holdings Pte. Ltd and
 - ▶ ₹ 1,00,00,000 (One crore) to State Bank of India.

During the year under review, the Company has not issued any:

- a) shares with differential rights
- b) sweat equity shares.

6. Transfer to Reserves:

Your Company has not transferred any amount to the Reserves for the period ended March 31, 2023.

7. Management Discussion and Analysis:

Management Discussion and Analysis is presented in a separate section forming part of this Annual Report.

8. Capital Expenditure and New Projects

Your Company is the India's leading Green Cement company with a current capacity of 16.6 MTPA across its manufacturing units at Vijayanagar in Karnataka, Salem in Tamil Nadu, Nandyal in Andhra Pradesh, Salboni in West Bengal, Jajpur in Odisha and Dolvi in Maharashtra.

All current business investments are driven to achieve this goal. Its business vision has been acknowledged through various honours & awards including The Economic Times Sustainable Organisation of the year 2022, CII Sustainability Award 2022 for Outstanding accomplishment under Corporate excellence, Best Infrastructure Brand (2022 & 2021), Environment Excellence Gold Award (2018), Greentech Environment Award (2018) among others. JSW Cement also ranks first in the Sustainability ESG risk rating globally in the construction material industry group of more than 140 companies.

8.1 Nandyal, Andhra Pradesh

- ▶ Clinker capacity enhancement project from 2.5 MTPA to 3.4 MTPA was completed except for upgradation of Raw Material Grinding Circuit Ball Mill installation. WHRS system with power generation capacity of 12.29 MW is expected to be commissioned by June'23.

- ▶ Site Construction activity is under progress for Ball Mill and Slag Mill Conversion and completion is expected by Oct'23.
- ▶ CTO for additional 0.90 MTPA Clinker and additional 1.2 MTPA Cement along with WHRS 12.2 MW was granted on 27 March 2023 and valid up to 28 February 2024.
- ▶ Existing Solid Alternative Fuel feeding system is operational which saved ₹1,906.095 lakh in the financial year 2022-23. Fuel used is rice husk, agricultural waste and solid pharma waste and plastic waste. 6.96% TSR has been achieved in FY 2022-23.
- ▶ To increase the TSR, a new Solid AFR system erection work is under progress which includes 30 TPH Imported Shredder, Screening and Recirculation System and expected commissioning by Nov'23.
- ▶ Existing Liquid Alternative Fuel firing to the calciner is operational & that has saved ₹321.995 lakh in the financial year of 2022-23. Fuel used is pharma waste liquid and 1.18% TSR has been achieved in FY 2022- 23.
- ▶ To increase the TSR, a New Liquid AFR system erection work is under progress and expected commissioning by Oct'23.

8.2 Vijayanagar, Karnataka

- ▶ Present installed capacity for cement grinding unit is 4.0 MTPA, consisting of 4 nos. of RP and 1 no. of VRM.
- ▶ Execution of 2 MTPA brown field grinding unit project is in progress to increase grinding capacity from 4 MTPA to 6 MTPA.
- ▶ EC for expansion from 4.0 MTPA to 6.0 MTPA has been granted to JSW Steel. EC transfer from JSW Steel to JSW Cement is under progress.
- ▶ CTE for expansion from 4.0 MTPA to 6.0 MTPA has been granted to JSW Steel and the same will be transferred to JSW Cement post EC transfer.
- ▶ Major engineering and procurement activities for the project are completed. Site construction activity is at full swing and expected to complete by Oct'23.
- ▶ Execution of Ultrafine GGBS project with plant capacity 5tph @ 100%<D90 (10000 to 12000 blaine) has been commenced and it is proposed to complete the execution by Nov'23.

8.3 Salboni, West Bengal

- ▶ Present installed capacity for the cement grinding unit is 3.6 MTPA, consisting of 4nos. of Roller Press and 1no. Ball Mill.
- ▶ Ball Mill project which increased the plant capacity from 3.0 MTPA to 3.6 MTPA was commissioned successfully in Jun'22.
- ▶ The unit presently has a facility to grind and dispatch PSC, CHD and GGBS/OPC.

8.4 Dolvi, Maharashtra

- ▶ Present installed capacity for cement grinding unit is 2.5 MTPA, consisting of 4 nos. of RP's and 2 nos. of VRM.
- ▶ Clinker handling system project at Dharmatar Jetty was successfully commissioned on 20 July 2022. Project includes 80,000 MT clinker silo, feeding and extraction system.
- ▶ 2 MTPA brownfield expansion project which increases production capacity from 2.5 MTPA to 4.5 MTPA is under construction. Engineering and Procurement activities have been completed. Construction work 90% completed.
- ▶ Expected commissioning schedule by May'23.
- ▶ Clinker and Gypsum Circuit upgradation with New VRM-3 is scheduled in Sept'23 planned shutdown.

8.5 Shiva Cement Limited, Odisha (Subsidiary)

- ▶ 1.36 MTPA green field clinker project includes 4000 TPD clinker circuit, 8.9 MW WHRS, 132 KV incoming power, OLBC and Railway siding.
- ▶ The kiln firing for 4000 TPD clinker plant was successfully carried out on 20 January 2023. Along with the clinker plant, the infrastructure for 132 kVA incoming power has also been commissioned.
- ▶ CTO was granted for 0.66 MTPA Clinker by OSPCB in Jan '23. Subsequently CTE has been applied for expansion of capacity from 0.66 MTPA to 1.50 MTPA. CTE is expected to be granted by May '23 which shall be followed by application for expansion of CTO to 1.5 MTPA. The CTO for expanded capacity it's expected to be obtained by Sep '23.
- ▶ WHRS – Commissioning of AQC Boiler is expected by Jun'23 and commissioning of PH boiler is expected by Sep'23 which would complete the commissioning of entire WHRS plant
- ▶ Mobile crushers are presently being utilised for crushing of limestone. The construction and commissioning of stationary crusher of 850 tph is expected to be commenced and completed by Mar'24
- ▶ Railway Siding – DPR and ESP has been approved by the railway for the total railway siding project. However, keeping in view the time required for land acquisition and meanwhile to facilitate plant operations, a good shed at Sagra railway station (around 24 km by road from the plant) was proposed by Shiva Cement and approved by railway authorities. Accordingly, construction of the good shed is expected to be initiated by Q1 FY 2024 and completed by Dec '23.
- ▶ OLBC – IPCOL and IDCO both have approved 22.80-acre land for the proposed OLBC and forwarded the file to the District administration for preparation of SIA report.

8.6 JSW Cement FZC, Fujairah (JV)

- ▶ Line I Clinker Plant having an installed capacity of 1.0 MTPA is in full commercial operation and clinker is being exported.
 - ▶ Line II Project having an installed clinker capacity of 4000 TPD with a potential of 4500 TPD along with a Waste Heat Recovery Power Plant (WHRPP) of 15.05 MW (generator capacity) is under Construction.
 - ▶ Construction of Line II commenced on 24 January 2022 and is in full swing. Current Project progress is 49% and is scheduled for the kiln light-up by Dec'2023.
 - ▶ Equipment deliveries and installation for the WHRS is in progress. Power for WHRS is scheduled to be synchronised after stabilisation of Line II Clinker Plant i.e. May'24.
 - ▶ The company is aggressively focusing on usage of alternative fuels for which avenues are being explored continually. A Long Term Contract has been established with a local supplier for supplying Refuse derived fuel (RDF).
 - ▶ Starter kit for the Solid RDF feeding system is in full operation. With feeding of solid RDF through starter kit and usage of various alternate fuels/materials, an average Thermal Substitution Rate (TSR) of 5.7% is achieved in FY 23, which is in line with the target.
 - ▶ As an initiative for a sustainable growth model, the Company has planned to install a full-fledged automated system for feeding solid RDF in Line I and Line II. Order has been successfully placed for the Design, Engineering and Supply of Machineries. Commissioning is expected by Mar'24.
- ### 8.7 Nagaur, Rajasthan
- ▶ JSW Cement intends to set up a greenfield integrated plant with 8000 TPD Clinkerisation & 2.5 MTPA Cement grinding with WHR power plant, railway siding and 1200 TPD Clay Calcination Plant, at Bhadana and Jindas, district Nagaur, in Rajasthan.
 - ▶ Plant and Mines land acquisition has been initiated from Nov'22 and approx. 70% of plant land has been successfully acquired.
 - ▶ Public Hearing (PH) for Plant was successfully conducted on 20 March 2023. EC Proposal is under progress and EC is expected to be obtained by Sep'23.
 - ▶ Order has been awarded to M/s Holtec for System Design, Detailed Engineering and Procurement Assistance activity for setting up the 8000 TPD Clinkerisation & 2.5 MTPA Cement grinding with WHR power plant.
 - ▶ Application for construction power connection of 33 kV has been approved by AVVNL.

8.8 Springway Mining Private Limited (Smpl), Panna, Madhya Pradesh (WOS)

- ▶ M/s. JSW Cement Ltd. acquired SMPL from M/s ICL in the month of Oct '22.
- ▶ SMPL, under their erstwhile ownership of M/s ICL, has acquired lands partially for the Mines and Plant.
- ▶ For the new plant area, SMPL had earmarked a total area of 361.6 acres. JSW Cement Ltd. (JSWCL) is in the midst of optimising the plant layout and optimising the total land area requirement.
- ▶ Terms of Reference for EC have been approved for 3.0 MTPA Clinker, 4.0 MTPA Cement, 15 MW WHR & 40 MW CPP.
- ▶ Baseline Study was concluded by M/s ICL during 1 March 2022 to 31 May 2022.
- ▶ Approved Mining Plan for 4 MTPA production was obtained by M/s ICL in Dec'2019. Keeping in view that the plant is yet to be installed, SMPL has submitted a revised Mining Plan in the Month of Jan'23 with production restricted to 0.012 MTPA.
- ▶ Public Hearing is expected in the month of June'23.

8.9 Limestone Mines:

a. Odisha: Shiva Cement Limited (SCL)

Khatkurbahal (N) Limestone Block:

- ▶ Environment Clearance for 1.6 MTPA limestone was granted by MoEF & CC on 17.03.2022
- ▶ Consent to Establish (CTE) for 1.6 MTPA limestone was granted by OSPCB on 07.01.2022. Received amended Letter of Intent (LoI) on 02.02.2021 with inclusion of mineral Dolomite, which indicates the grant of mining lease for mineral dolomite along with Limestone.
- ▶ Mining Plan approved by Indian Bureau of Mines (IBM) for Khatkurbahal (North) Block for 2.4 MTPA Dolomite mining on 24.04.2021.
- ▶ The Company is currently under the process of getting the amendment in the EC w.r.t inclusion of 2.4 MTPA Dolomite.
- ▶ Grant order for Khatkurbahal (N) mining lease is issued on 26 August 2022.
- ▶ Mining lease deed executed on 15 November 2022 & registration of ML deed on 16 November 2022.
- ▶ Working permission from Directorate General of Mine Safety (DGMS) under 106(2)b for using explosives and blasting in the mine area is expected by Apr'23.
- ▶ Consent to Establish (CTE) for 1.6 MTPA limestone was granted by OSPCB on 07.01.2022.
- ▶ No Objection Certificate (NoC) for Ground water abstraction of 15 m3/day of fresh water and dewatering of 890 m3/day.
- ▶ Permission from the District collector for the transfer of surface rights on the Govt land & purchased private land is in process.

Khatkurbahal Limestone Block:

- ▶ Environment Clearance for 1.5 MTPA limestone was granted by MoEF & CC on 11.03.2022.
- ▶ Consent to Establish (CTE) for 1.5 MTPA limestone was granted by OSPCCB on 07.04.2022.

b. Rajasthan:**3B2 Limestone Block, Nagaur, Rajasthan:**

- ▶ Environment Clearance for 3B2 limestone block for 3.8 MTPA capacity was granted on 31 August 2020.
- ▶ Mining Lease is expected to be registered by Apr'23.
- ▶ Land acquisition is in process in 3B2 limestone block.

3C1 Limestone Block, Nagaur, Rajasthan:

- ▶ The Company has won the 3C1 limestone block with geological resource of 183 Mio MT@ 130.10% in the mineral auction conducted by Government of Rajasthan on 27 January 2022.
- ▶ Letter of Intent for 3C1 is issued by Govt of Rajasthan on 15 November 2022.
- ▶ Mining plan is under approval by RCOM, Ajmer, IBM and expected to be received by May'23.

3C2 Limestone Block, Nagaur, Rajasthan:

- ▶ The Company has won the 3C2 limestone block with geological resource of 150 Mio MT@ 50.05 % in the mineral auction conducted by Government of Rajasthan on 28 January 2022.
- ▶ Letter of Intent for 3C2 is issued by Govt. of Rajasthan on 15 November 2022.
- ▶ Mining plan is under approval by RCOM, Ajmer, IBM and expected to be received by May'23.

3D1 Limestone Block, Nagaur, Rajasthan:

- ▶ The Company has won the 3D1 limestone block with geological resource of 200 Mio MT@ 50.05 % in the mineral auction conducted by Government of Rajasthan on 17 July 2018.
- ▶ Letter of Intent for 3D1 is expected to be issued by Govt of Rajasthan in Jun'23.

c. Madhya Pradesh:

- ▶ Springway Mining Private Limited (SMPL), Panna, Madhya Pradesh:
- ▶ The Company acquired SMPL (a wholly owned by JSWCL), an asset of M/s. India Cement Ltd in October 2022, SMPL is holding one active mining lease for limestone over an area of 499.641 Ha near village Kolkarhiya in Panna district, Madhya Pradesh with geological resource of 120 Mio MT.
- ▶ Mining lease deed was executed on 13.10.2015 with validity up to 12.10.2065.
- ▶ Environment clearance granted by MoEF&CC with production capacity of 4.0 MTPA dated 18 February 2022.

- ▶ NoC clearance from Central Ground Water Agency (CGWA) for withdrawal of 756.7 m³/day & 10 m³/day for mine dewatering & domestic usage on 27 September 2021.

- ▶ Consent to Establish (CTE) & Consent to Operate (CTO) from MP Pollution Control Board on 05 October 2021 & 03 October 2022.

d. Gujarat:**Mudhvay Sub Block - D, Kuchchh, Gujarat:**

- ▶ Executed the Mine Development & Production Agreement (MDPA) on 28 November 2022.
- ▶ Received Grant order for Mudhvay D mine on 16 December 2022.
- ▶ Registration of mining lease deed for Mudhvay D is expected to complete by 17 January 2023.

e. Karnataka:**Satanur Limestone Block (Composite License), Gulbarga, Karnataka:**

- ▶ The Company has won the Satanur limestone block, a composite license with probable geological resource of 503 Mio MT@ 47.2% in the mineral auction conducted by Government of Karnataka on 12 May 2022.
- ▶ Letter of Intent for Satanur limestone block was issued by Govt. of Karnataka on 06 July 2022.

8.10 Coal Mines:**a. Marwatola VI Coal Block, Umaria, Madhya Pradesh:**

- ▶ The Company has won the Marwatola VI Coal Block with geological resource of 78 Mio MT@ 42.50% in the mineral auction conducted by the Ministry of Coal, Government of India on 28 February 2023.
- ▶ Notice of declaration of Successful bidder for Marwatola VI coal block was issued by the Ministry of Coal on 28 March 2023.
- ▶ Coal Mine Development & Production Agreement (CMDPA) signed between the Ministry of Coal and the Company on 29 March 2023.

9. Credit Rating:

During the year, the Company's credit rating was reaffirmed as A+/Stable for long term loans and A1+ for short term loan and by India ratings and 'A1' by CRISIL Limited.

10. Deposit:

The Company has not accepted any deposits from public in terms of Section 73 & 74 and other applicable provisions of the Companies Act, 2013, read with rules made thereunder.

11. Particulars of Loans, Guarantees, Investments and Securities:

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

12. Internal Control, Audit and Internal Financial control:**Internal Control**

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

Internal Audit

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

Internal Financial Controls

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

This framework includes entity level policies, process and operating level standard operating procedures. The entity level policies include anti-fraud policies, whistle blower policy, HR policy, treasury policy. The Company

has also prepared Standard Operating Procedures (SOP) for each of its processes like procure to pay, order to cash, hire to retire, treasury, fixed assets, inventory, manufacturing operations etc.

13. Particular of Contract and Arrangement with Related Party Transactions:

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

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

14. Disclosure under Employee Stock Option Plan and Scheme:

The Board of Directors of the Company, formulated the JSW Cement Employee Stock Ownership Plan-2016 (ESOP Scheme-2016) and JSW Employee Stock Ownership Plan (JSWCL ESOP-2021) respectively, to be implemented through the JSW Cement Employees Welfare Trust (Trust), with an objective of enabling the Company to attract and retain talented human resources by offering them the opportunity to acquire a continuing equity interest in the Company, which will reflect their efforts in building the growth and the profitability of the Company.

A detailed note on JSW Cement Employee Stock Ownership Plan-2016 (ESOP Scheme-2016) and JSW Employee Stock Ownership Plan (JSWCL ESOP-2021) are furnished in Annexure B which forms a part of this Report.

15. Awards:

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

- The Company strives to improve the green cover surrounding its plant facilities by planting saplings and has also contributed to reduced GHG emissions by installing solar lights and implementing several energy efficiency measures in plant operations. All these significant efforts were recognised in the form of following award:

- ▶ Nandyal Unit has received "Apex India Green Leaf Award 2022" under "Gold Category" for outstanding achievement in "Plastic Waste Management".

- ▶ Nandyal Unit has received "Grow Care India Gold Award 2022" in Sustainability Management.
 - ▶ Dolvi unit has received "Greentech Environment Awards towards Outstanding achievements in "ENVIRONMENT PROTECTION".
 - ▶ Dolvi unit has received "Greentech Export Award 2022" towards Outstanding achievements in "MANUFACTURER EXPORTER".
 - ▶ Dolvi unit has received "Grow care India Gold Award - 2022" under the category Environment Management for Cement Sector.
 - ▶ Vijayanagar unit received "Apex India green Leaf Award - 2022" under Environment Excellence Category.
 - ▶ Vijayanagar unit received "Greentech Environment Management Award - 2022" from Greentech Foundation.
 - ▶ Vijayanagar unit received "Quality Innovation Award - 2022" from Greentech Foundation.
- b. Nandyal Mines received the following awards and accolades during the "Mines Environment and Mineral Conservation Week - 2022-23 under 'Large Mechanised Mines Group - C' organised by Indian Bureau of Mines Hyderabad Region
- ▶ Occupational Health, Welfare Amenities & preparation of Sop's & Implementation - First Prize
 - ▶ Crusher, Electrical Installations & Illuminations - First Prize
 - ▶ Mineral Conservation - Second Prize
 - ▶ Publicity Propaganda and Innovation - second Prize
 - ▶ Safety Management System - Third Prize
- c. At JSW Cement, the health and safety of the people is of paramount importance and the Company makes every possible effort to ensure the same at all the plant facilities and workplace. This year the Company begged the following awards for its outstanding performance in Occupational Health & Safety management:
- ▶ Nandyal Unit Received "Greentech intl. EHS Award 2023" under Health & Safety Category.
 - ▶ Nandyal Unit has received "Apex India Occupational, health & Safety Platinum Award 2022" in Cement sector.
 - ▶ Dolvi Unit received "National Safety Council of India Safety Awards 2022" under the category PRASANSHA PATRA for good Performance in OSH.
 - ▶ Jajpur Unit received "safety Excellence in industry-2023 safety award" by Greentech foundation in gold category.

- ▶ Vijayanagar Unit received "Apex Safety Excellence Award - 2022" by Apex Foundation.
- ▶ Vijayanagar Unit received "Ek Kaam Desh Ke Naam safety excellence award -2022.
- ▶ Vijayanagar Unit received "Greentech safety excellence award - 2022".

16. Policy:

The Company has adopted various policies which has been available on website at www.jswcement.in of the Company. The brief detail of few policies are as under:

- **Whistle Blower Policy/Vigil Mechanism:**

The Company has a vigil mechanism named Whistle Blower Policy/Vigil Mechanism to deal with instances of fraud and mismanagement, if any. Details of the same are given in the Corporate Governance Report.

- **Corporate Social Responsibility:**

Your Company has constituted a Corporate Social Responsibility (CSR) Committee and framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report.

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

The Company decided its priority towards villages in the immediate vicinity of the plant locations defined as Direct Influence Zone (DIZ). However, certain programs might have been expanded beyond this geographical preview for upscaling and defined as Indirect Influence Zone (IIZ). Details of the CSR initiatives under taken by the Company pursuant to provisions of the Companies Act, 2013 are given in "Annexure-C" to this report.

Further, the Chief Financial Officer of your Company has certified that CSR spends of your Company for the FY 2022-23 have been utilised for the purpose and in the manner approved by the Board of the Company.

- **Nomination & Remuneration Policy:**

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

as well as remuneration to be paid to Directors, Key Managerial Personnel and Senior Management of the Company.

The policy of the Company on Directors' appointment, including criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is governed by the Nomination Policy. The remuneration paid to the directors is in accordance with the remuneration policy of the Company.

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

- a) Remuneration is reasonable and sufficient to attract, retain and motivate directors,
- b) Motivate KMP and other employees and to stimulate excellence in their performance,
- c) Remuneration is linked to Company's performance, individual performance and such other factors considered relevant from time to time,
- d) The policy balances fixed and variable pay and reflects short and long term performance objectives.

- **Risk Management Policy:**

The Company has a Risk Management Policy aimed to ensure resilience for sustainable growth and sound corporate governance by having a process of risk identification and management in compliance with the provisions of the Companies Act, 2013. The Company is faced with risks of different types, all of which need different approaches for mitigation. Details of various risks faced by the Company are provided in MDA section of this Annual Report. Based on the Risk Management Policy, a standardised Risk Management Process and System was implemented across the JSW group. Risk plans have been framed for all identified risks with mitigation action, target dates and responsibility. Risk Management Committee closely monitor and review the risk plans. The Committee meets every half-year to review key strategic and tactical risks, identify new risks and assess the status of mitigation measures.

- **Board Evaluation Policy:**

Board Evaluation is a good governance practice. It comprises of both assessment and review. This include analysis of how the Board and its committees are

functioning, the time spent by the Board considering the matters and whether the terms of reference of the Board & committees have been met.

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

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

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

17. Holding and Subsidiary Company:

Adarsh Advisory Services Private Limited is the Holding Company. The Company has five subsidiary companies and one joint venture Company as on March 31, 2023.

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

During the year under review, the Company had acquired two companies from India Cement Limited i.e. Springway Mining Private Limited and NKJA Mining Private Limited during FY 2022-23. The said companies are wholly-owned subsidiaries of the Company. JSW Cement FZC (Formerly known as JSW Cement FZE) ceased to be the Subsidiary of your Company due to de-subsidisation during the FY 2022-23. The said company is joint venture of the Company.*

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules made thereunder and your Company has prepared Consolidated Financial Statements of your Company and a separate statement containing the salient features of Financial Statement of subsidiary, joint venture and associate entities in Form AOC-1 is attached as "Annexure D" which forms part of this Annual Report.

The Annual Financial Statements and related detailed information of the subsidiary/joint venture companies shall be made available to the shareholders of the holding and subsidiary/joint venture companies seeking such information on all working days during business hours. The financial statements of the subsidiary/joint venture companies shall also be kept for inspection by any shareholders during working hours at your Company's registered office and that of the respective subsidiary/joint venture companies concerned. In accordance with Section 136 of the Act, the Audited Financial Statements, including Consolidated Financial Statements and related information of your Company and audited accounts of each of its subsidiary joint venture, are available on website of your Company at www.jswcement.in

*Note:

1. The Board of Directors of the Company in its meeting held on 10 October 2022 considered and approved the share purchase agreement with The India Cements Limited for purchasing 10,000 Equity shares of NKJA Mining Private Limited and 5,100 equity shares of Springway Mining Private Limited .
2. JSW Cement FZC ceased to be subsidiary of Company wef 22 March 2023.

18. Directors and Key Managerial Personnel:

The Company has a balanced mix of Executive and Non-Executive Directors. As at 31 March 2023, the Board comprises of 13 Directors of which four are Executive Directors, nine are Non-Executive Directors including one Woman Director. The Company has four Independent Directors on the Board. All Independent Directors meet the criteria of independence as prescribed under section 149 (6) of the Companies Act, 2013.

The Company has received declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as prescribed thereunder.

The Independent Directors have complied with the Code for Independent Directors prescribed under Schedule IV of the Companies Act, 2013. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Narinder Singh Kahlon (DIN: 03578016) and Mr. Jugal Kishore Tandon (DIN: 01282681) retires by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for re-appointment. The proposal regarding their re-appointment is placed for approval by the Shareholders.

Appointment/Re-appointment of the Directors

The Board of Directors in its meeting held on 17 August 2022, based on the recommendation of the NRC and taking into account his credentials, expertise and experience, re-designed and appointed Mr. K. Swaminathan (DIN: 01447632) as a Whole-Time Director – Chief Strategy Officer of the Company with effect from 17 August 2022 for the first term of 3 years, which was approved by the Members of the Company at the 16th Annual General Meeting;

The Board of Directors of the Company at its meeting held on 25 January 2023, based on the recommendation of the NRC and based on his performance evaluation, re-appointed Mr. Nirmal Kumar Jain (DIN-00019442) as an Independent Director for 2nd term of 2 years with effect from 1 April 2023;

Mr. Nilesh Narwekar (DIN: 06908109) was re-appointed as a Whole-Time Director of the Company and CEO for period of 3 years from 9 August 2023 to 8 August 2026 by the Board of Directors of the Company in its Meeting held on 1 June 2023 based on the recommendation of the NRC;

Necessary resolutions for approval of the appointment/re-appointment of the aforesaid Directors have been included in the Notice of the forthcoming Annual General Meeting of the Company. The Directors recommend the same for approval by the Members.

19. Number of Meetings of the Board & its Committees:

Regular meetings of the Board and its Committees are held to discuss and decide on various business policies, strategies, financial matters and other businesses.

Meetings of the Board:

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

Committee of Board:

The Company has constituted various Committees of the Board as required under the Companies Act, 2013. For details like composition, number of meetings held, attendance of members, etc. of such Committees, please refer to the Corporate Governance Report that forms a part of this Annual Report.

20. Corporate Governance:

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

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

21. Directors' Responsibility Statement:

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

- a) in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts for the year under review, on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. Auditors and Auditor's Report:

a. Statutory Auditors:

At the Company's 12th Annual General Meeting (AGM) held on September 27, 2018, M/s HPVS & Associates., Chartered Accountants (Firm Registration No. 137533W), Mumbai, were appointed as the Company's Statutory Auditors for a period of five consecutive years i.e. from the conclusion of the 12th AGM till the conclusion of the 17th Annual General Meeting of the Company.

The Board of Directors at its meeting held on 1 June 2023 has recommended the appointment of M/s

Deloitte Haskins & Sells LLP Chartered Accountants, as the Statutory Auditors of the Company for first term of 5 years to hold office from the conclusion of the ensuing 17th AGM until the conclusion of the 22nd AGM of the Company to be held in the calendar year 2028. M/s. Deloitte Haskins & Sells LLP have expressed their willingness to be appointed as Statutory Auditors of the Company. They have further confirmed that their appointment, if made, would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for appointment. Accordingly, the proposal for their appointment as the Statutory Auditors of the Company, from the conclusion of the ensuing 17th AGM until the conclusion of the 22nd AGM of the Company to be held in the calendar year 2028, in terms of Section 139(1) of the Companies Act, 2013, is placed for Shareholders approval.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report for the year under review does not contain any qualification, reservation, adverse remark, or disclaimer.

b. Cost Auditors:

Pursuant to Section 148(1) of the Companies Act, 2013 the Company is required to maintain cost records as specified by the Central Government and accordingly such accounts and records are made and maintained.

Pursuant to Section 148(2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board, at its meeting held on 4 May 2022 has on the recommendation of the Audit Committee, appointed M/s. Kishore Bhatia & Associates , Cost Accountants to conduct the audit of the cost accounting records of the Company for FY 2022- 23 on a remuneration of ₹3,30,000 plus out of pocket expenses, travelling and other expenses (which would be reimbursable at actuals) plus taxes, wherever applicable. The remuneration is subject to the ratification of the Members in terms of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and accordingly was placed and approved by the Shareholders at the 16th Annual General Meeting. The due date for filing the Cost Audit Report for the financial year ended 31 March 2022 was 30 September 2022, and the Cost Audit Report was filed in XBRL mode on 30 August 2022.

c. Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board has appointed M/s. S. K. Jain & Co., Practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year 2022-23. The Secretarial Audit Report is annexed as "Annexure-F" and forms an integral part of this Report. The Report does not contain any observations or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

23. Compliance with Secretarial Standards:

During the year under review, the Company has complied with Secretarial Standards 1 and 2, issued by the Institute of Company Secretaries of India.

24. Material Change and Commitments:

In terms of section 134(3)(l) of the Companies Act, 2013, except as disclosed elsewhere in this report, no material changes and commitments which could affect the company's financial position have occurred between March 31, 2023 and the date of the report.

25. Significant and Material orders passed by the Regulators:

No orders have been passed by any Regulator or Court or Tribunal which can have significant impact on the going concern status and the Company's operations in future.

26. Annual Return:

Pursuant to Section 92(3) read with section 134(3) (a) of the Companies Act, 2013, copies of the Annual Return of the Company prepared in accordance with Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and are accessible at the web-link www.jswcement.in.

27. Reporting of Frauds:

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed thereunder.

28. Conservation of Energy, Technology Absorption and Innovation:

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

Foreign exchange earnings and Outgo

The Foreign Exchange earnings of the Company for the year under review amounted to ₹77.38 crore (Standalone) and ₹400.75 crore (Consolidated). The foreign exchange outflow of the Company for the year under review amounted to ₹290.30 crore (Standalone) and ₹932.75 crore (Consolidated).

29. Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace:

Your Company has complied with the provisions related to constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 across locations to redress complaints received regarding sexual harassment. The Company has not received any complaints pertaining to sexual harassment during FY 2022-23.

30. Human Resource:

During the year FY 22-23, on the people front several challenges and opportunities emerged due to internal and external environment. These clubbed with the business vision of the organisation laid the foundation for the Company to strengthen its people practices as well as reach to the drawing board to reflect and build the base for times ahead. Some of the key highlights in the people journey for the year are highlighted as below:

- **Induction of 'young and fresh talents'**

- ▶ To build our future leaders in the manufacturing and sales and marketing domain, GETs and Sales & Demand Generation trainees were inducted in the team. As part of the yearlong training program, the trainees undergo a month long induction program followed by structured rotation to have exposure to 2-3 core domain areas followed by an on-the-job-training. During the on-the-job training the trainees get exposure to managing the assigned roles independently thereby building confidence in them as well as giving a firsthand exposure of the work dynamics. Structured feedback sessions are built in the program to help each trainee understand their progress on a quarterly basis. In FY22-23 ~85% of trainees who joined the program successfully completed their journey. The 22-23 batch of GETs are currently in their final leg of journey and soon will join the main stream.

- ▶ The Company continued to build on our benchmark initiative to induct female graduate candidates in a year long journey. In FY23 the program expanded to build talent for CCR operations in addition to Quality function. The batch of FY22 of 11 female candidates successfully completed the program and joined the various manufacturing units as Quality Officers. In FY23 fresh batch of 15 female candidates were inducted and are undergoing training in Quality and CCR operations trades.

- **Employee Engagement: During the year several engagement initiatives were undertaken by the HR team. Some of the key drives were:**

- ▶ Connect with Team – To build a culture of one team one family, in our Nandyal works each Head of Department initiated family meets once in 6 months. The HODs are empowered to plan this in consultation with the team. There were some innovative approaches adopted by the team leaders where outbound sessions, talent hunt etc were also initiated in addition to team lunches and dinners.

- ▶ Founders Day Celebration: Jajpur, Salboni, Dolvi and Vijaynagar works celebrated our Founder's day with great fervour. Employees and their family members participated in large numbers during these celebrations.

- ▶ The sales teams also conducted several team meetings and celebrated achievements during the year through a lot of outbound sessions.

- ▶ As part of the learning journey, Achievement Motivation Labs and Outbound sessions was organised for the Odisha Sales team. This was aimed at invigorating the collective energy of the team and channelise it to help individuals identify their true potential.

31. Occupational Health & Safety (OH&S):

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

- ▶ "The Cement Group Safety Council meeting was held monthly, where the management reviewed the safety management system's progress at all locations."

- ▶ Prepared and reviewed job safety Analyses (JSAs) every six months for all routine and non-routine activities explaining the hazards and implementing the mitigation measures to prevent incidents while performing the task at all locations.

- ▶ Prepared, approved, displayed, and explained the 10 critical safety rules and General Safety Rules at all plants.

- ▶ Personal Protective Equipment (PPE), Lock Out & Tag Out (LOTO), Permit to Work (PTW), working at height (WAH) and Confined space entry (CSE) task force teams have prepared the procedure and training modules and have also commenced the retraining program at all locations.

- ▶ All senior employees (L8 and above) have been trained on the Safety Observation program (SO). SO tours have been carried out as per schedule in all operating locations. The same was reported in mySetu portal and the schedule compliance was 89%.

- ▶ To ensure Contractor Safety Management (CSM), all contractors go through the Pre-Qualification Assessment before being awarded. The cut-off score is 70%.

- ▶ Rewarding safe working employees to encourage a safety culture in all locations.

- ▶ Training the drivers on defensive driving techniques on a daily basis through plants Road and Rail Subcommittee.

- ▶ All major incident investigations and preventative actions are implemented to avoid reoccurrence and reviewed by the Executive Committee on a monthly basis.

- ▶ LTIFR (Lost time injury frequency rate) was 0.23.

- ▶ A fully pledged safety management system was implemented at all our units & project sites for better safety.

- ▶ As per the Factories Act, medical checkups are conducted for all our associates and employees.

- ▶ First aid and Firefighting training imparted to all our essential employees.

- ▶ 12611 near misses were reported against the target of 10,000 near misses.

- ▶ 332595 training hours (on the job & off the job) imparted to improve the associates' and employee's knowledge and safe work systems.

- ▶ Consequence management system implemented strictly to maintain the safety culture.

- ▶ Inter-location safety audits were implemented" to identify unsafe conditions, rectify them, and determine the best safety systems to implement at all locations.

32. Particulars of Employees:

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms a part of this Report. However, as per first proviso to Section 136(1) of the Act and second proviso of Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Report and Financial Statements are being sent to the Members of the Company excluding the said statement. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

33. IBC Code and One-time Settlement:

There is no proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (IBC Code). There has not been any instance of one-time settlement of the Company with any bank or financial institution.

34. Acknowledgements:

Your Directors would like to express their appreciation for the co-operation and assistance received from the Government authorities, banks and other financial institutions, vendors, suppliers, customers, shareholders and all other stakeholders during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the committed services of all the employees.

For and on behalf of the Board
JSW Cement Limited

Nirmal Kumar Jain
Chairman
DIN-00019442

Date: 1 June 2023
Place: Mumbai

ANNEXURE - A FORM NO. AOC-2

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

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

- Details of contracts or arrangements or transactions not at arm's length basis- Not Applicable
- Details of material contracts or arrangement or transactions at arm's length basis- For details of transactions during the year refer note 37 of the financial statements. The materials transactions are as under:

Name of Related Party	Nature of Relationship	Duration of Contract	Salient Terms	Date of approval by the Board/Audit Committee	Amount paid as advance, if any
Nature of Contract					
Purchase of Goods and Services					
JSW Steel Limited	Others	5 years Yearly	Purchase of LD Slag, Coal Fine, Steam Coal, Fly Ash, Flue Dust, TMT/Plate, AL. slag, BF gas	Approved by Audit Committee of Board of Directors of the Company on 9 February 2021	-
Bhushan Power & Steel Ltd	Others		Purchase of Slag		
JSW Steel Coated Products Limited	Others	1 year	Purchase of Iron roofing Sheet		
Shiva Cement Limited	Subsidiary		Clinker		
JSW Cement FZE	Subsidiary		Clinker		
JSW Green Private Limited	Subsidiary		Power		
Amba River coke Limited	Others		Coke Oven Gas		
Utkarsh Transport Services Private Limited	Subsidiary		Transport Services		
JSW Global Business Solutions Limited	Others		Business Support Services		
JSW IP Holdings Private Limited	Others		Brand Loyalty Fess		
JSW Global Pte. Ltd.	Others		Coal		
JSW Energy Limited	Others	15 to 25 years depending upon the agreements for different places	Power		
JSW Processor and Traders Private Limited	Others	2 year	Job work services	Approved by Audit Committee of Board of Directors of the Company on 9 November 2021	
Sale of Capital Goods					
Shiva Cement Limited	Subsidiary	-	Capital Goods sold	Approved by Audit Committee of Board of Directors of the Company on 9 February 2021	-
Sale of Goods and Services					
JSW Steel Limited	Others	Based on the Requirements	Cement, RMC GGBS, and Slag	Approved by Audit Committee of Board of Directors of the Company on 9 February 2021	-
JSW Steel Coated					
JSW Energy Limited					
JSW Vijayanagar Metallic Limited					
JSW Green Cement Limited	Subsidiary				
Rendering of services					
Shiva Cement Limited	Subsidiary	18 months	Project Management Services	Approved by Audit Committee of Board of Directors of the Company on 1 May 2021	-

For and on behalf of the Board of Directors

Date: 1 June 2023
Place: Mumbai

Sd/-
Nirmal. K. Jain
(DIN: 00019442)
Chairman

ANNEXURE - B

ESOP Plan 2016				
Scheme Name	Particulars	First Grant	Second Grant	Third Grant
S.No.				
1	Options Granted	56,20,950	56,15,072	1,34,88,024
2	Exercise Price (₹)	68.70	68.50	42.77
3	Options Vested	25,57,245	30,34,812	76,18,021
4	Options Exercised	Nil	Nil	Nil
5	Total number of Shares arising as a result of exercise of Options	Nil	Nil	Nil
6	Options Lapsed	30,63,705	25,80,260	58,70,003
7	Variations of terms of Options			
8	Money realised by exercise of the Options	NIL	NIL	NIL
9	Total number of Options in force	25,57,245	30,34,812	76,18,021
10	Details of Options granted to senior managerial personnel and Key Managerial personnel			
	Mr. Nilesh Narwekar -WTD & CEO	Nil	Nil	2,26,707
	Mr. Narinder Singh Kahlon -WTD & CFO	86,085	62,389	1,71,328
	Ms. Sneha Bindra -Company Secretary	Nil	8,446	19,803
	i. Any other employee who receives in any One Year of grant of Options amounting to 5% or more of Options granted during that Year	Nil	Nil	Nil
	ii. Identified employees, who were granted Options, during any One Year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant	Nil	Nil	Nil

ESOP Plan 2021				
Scheme Name	Particulars	First Grant	Second Grant	
S.No.				
1	Options Granted	55,61,048	64,09,111	
2	Exercise Price (₹)	10.00	10.00	
3	Options Vested	11,14,813	Nil	
4	Options Exercised	Nil	Nil	
5	Total number of Shares arising as a result of exercise of Options	Nil	Nil	
6	Options Lapsed	11,01,797	7,56,813	
7	Variations of terms of Options			
8	Money realised by exercise of the Options	Nil	Nil	
9	Total number of Options in force	44,59,251	56,52,298	
10	Details of Options granted to senior managerial personnel and Key Managerial personnel			
	Mr. Nilesh Narwekar -WTD & CEO	2,49,590	2,40,283	
	Mr. Narinder Singh Kahlon - WTD & CFO	2,54,954	2,93,842	
	Mr. K. Swaminthan -WTD	1,93,768	2,39,018	
	Ms. Sneha Bindra -Company Secretary	10,370	13,004	
	i. Any other employee who receives in any One Year of grant of Options amounting to 5% or more of Options granted during that Year	Nil	Nil	
	ii. Identified employees, who were granted Options, during any One Year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant	Nil	Nil	

ANNEXURE - C

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

For the Financial Year ended March 31, 2023

1. Brief outline on CSR Policy of the Company

The Company's CSR Policy is available on the Company's website at www.jswcement.in

2. Composition of CSR Committee:

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

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

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

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable

None.

5. a.	Average net profit of the company as per sub-section (5) of section 135:	₹339.5 Cr
b.	Two percent of average net profit of the company as per sub-section (5) of section 135:	₹6.79 Cr
c.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:	NIL
d.	Amount required to be set-off for the financial year, if any:	NIL
e.	Total CSR obligation for the financial year [(b)+(c)-(d)]:	₹6.79 Cr
6. a.	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):	₹6.71 Cr
b.	Amount spent in Administrative Overheads:	₹0.08 Cr
c.	Amount spent on Impact Assessment, if applicable:	NIL
d.	Total amount spent for the Financial Year [(a)+(b)+(c)]:	₹6.79 Cr
e.	CSR amount spent or unspent for the Financial Year:	₹6.79 Cr

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

f. Excess amount for set-off, if any

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	6.79 Cr
(ii)	Total amount spent for the Financial Year	6.79 Cr
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8	
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2021-22	0.22 Cr	-	0.22 Cr	-	-	-	-
2	2020-21	-	-	-	-	-	-	-
3	2019-20	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year is as follows:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR	Name	Registered
					Registration	Address	
					Number, if applicable		
1	Tractor Engine & Trolley (Gram Panchayat, Bujunur village, Gadivemula Mandal, Nandyal, Andhra Pradesh. Pin:518508)	518508	March-2023	0.10 Cr	NA	Gram Panchayat, Bujunur	Gram Panchayat, Bujunur village, Gadivemula Mandal, Nandyal, Andhra Pradesh. Pin:518508
2	Tractor Engine & Trolley (Gram Panchayat, Bilakalagudur village, Gadivemula Mandal, Nandyal, Andhra Pradesh. Pin:518508)	518508	March-2023	0.10 Cr	NA	Gram Panchayat, Bilakalagudur	Gram Panchayat, Bilakalagudur village, Gadivemula Mandal, Nandyal, Andhra Pradesh. Pin:518508

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: 1 June 2023

Sd/-
Kantilal .N. Patel
(DIN: 00019414)
Chairperson of CSR Committee

Sd/-
Nirmal .K. Jain
(DIN: 00019442)
Chairman

ANNEXURE - D FORM AOC-1

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

PART A- Subsidiaries

Sr. No	Name of the Subsidiaries	Financial year ended	Reporting currency	Share capital (paid-up)	Reserves and Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of shareholding
1	Utkarsh Transport Private Limited	2023	INR	1.01	(14.40)	84.60	97.98	**	21.11	(5.62)	(1.53)	(4.09)	100%
2	Shiva Cement Limited	2023	INR	39.00	(117.32)	898.36	1,391.49	-	-	(108.64)	(28.17)	(80.47)	59.32%
3	JSW Green Cement Private Limited	2023	INR	0.01	(5.12)	77.72	82.83	-	118.32	(6.19)	(1.11)	(5.08)	100%
4	Springway Mining Private Limited*	2023	INR	0.01	7.86	155.00	147.13	-	-	(8.75)	(2.39)	(6.36)	100%
5	NKJA Mining Private Limited*	2023	INR	0.01	(0.17)	0.05	0.21	**	-	(0.04)	-	(0.04)	100%

* Subsidiary w.e.f. 10 October 2022

** Denotes less than ₹50,000

The financial information disclosed above in respect of entities acquired during the year are for the full financial year.

Additional disclosure

Subsidiaries ceased w.e.f 22 March 2023
JSW Cement FZC (Formerly known as JSW Cement FZE)

PART B- Joint Ventures

Sr. No	Name of the Joint Ventures	Audited Balance Sheet date	No of Shares	Amount of Investments	% of Holding	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit/(Loss) for the year	
							Considered in Consolidation	Not considered in consolidation
1	JSW One Platforms Limited	31 March 2023	2,66,956	37.40	13.68%	44.82	-14.83	-
2	JSW Cement FZC (Formerly known as JSW Cement FZE)	31 March 2023	7,32,930	218.56	85.96%	213.93	-3.86	-

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
ACS-29721

Date: Place: Mumbai

For and on behalf of the Board