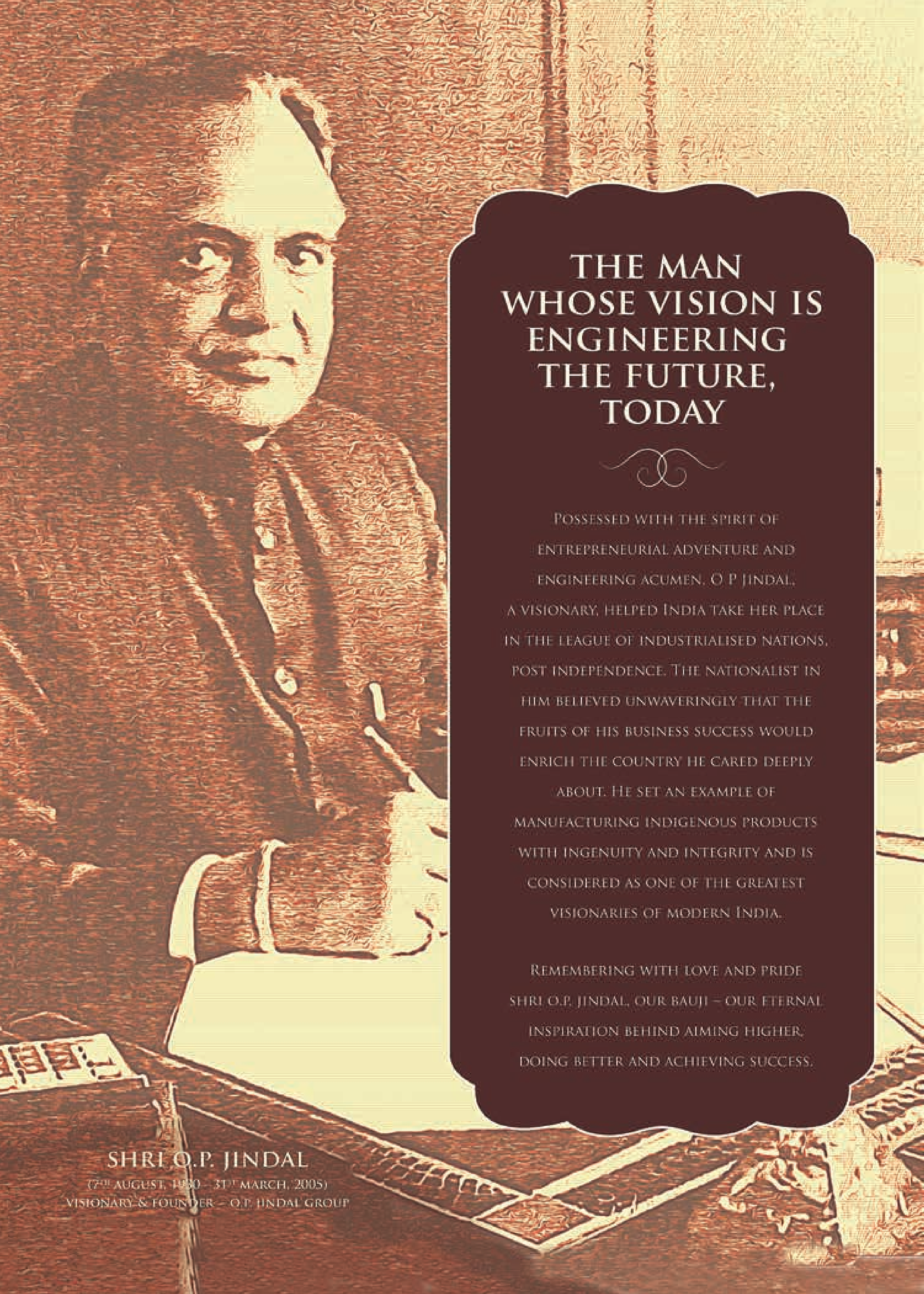
Better Everyday

Annual Report 2017-18

JSW Cement



THE MAN WHOSE VISION IS ENGINEERING THE FUTURE, TODAY

Possessed with the spirit of entrepreneurial adventure and engineering acumen, O P Jindal, a visionary, helped India take her place in the league of industrialised nations, post independence. The nationalist in him believed unwaveringly that the fruits of his business success would enrich the country he cared deeply about. He set an example of manufacturing indigenous products with ingenuity and integrity and is considered as one of the greatest visionaries of modern India.

Remembering with love and pride Shri O.P. Jindal, our Bauji – our eternal inspiration behind aiming higher, doing better and achieving success.

SHRI O.P. JINDAL

(7th August, 1930 – 31st March, 2005)

Visionary & Founder – O.P. Jindal Group

In this Report

Corporate Overview

Statutory Reports

Standalone Financial Statements

Consolidated Financial Statements

Financial Highlight

Better Everyday

At JSW Cement, the philosophy of making each day better flows across all our functions and empowers us to progress towards building a better future. It is our constant endeavour to scale new heights of excellence and deliver sustainable value to all our stakeholders-customers, employees, business associates, communities and the society at large. We aim to achieve this holistic goal by gradually taking small but important steps daily, to further enhance our efficiencies. Our efforts towards making our today and tomorrow better have already started yielding results. In the financial year 2017-18, our Company achieved the highest-ever production in its history; this is one of the fruits of our labour. Successful expansion of our reach in new markets is another. Moving ahead, we will continue to establish a sustainable future for those whose lives we touch in our journey of growing into a larger, more responsible organisation.

11.60 mtpa
Total cement production capacity

₹1,741 crores
Total Income

₹150 crores
Net profit

15.2%
Increase in the overall sales volume

PSC and GGBS are GreenPro Certified by CII

Forward-looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This Report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. The known or unknown risks or uncertainties materialise, or underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

Chairman's Letter

Your Company has clocked an impressive performance in the financial year 2017-18. Our overall sales volumes grew by 15.2% compared to the previous year, to 4.93 mtpa.

Dear Shareholders,

It gives me immense pleasure to present JSW Cement's Annual Report for the fiscal year 2017-18. In 2017, the global economy witnessed broad-based improvement owing to macro enablers such as, a resurgent housing sector, better access to credit, favourable monetary policies and ending of the household deleveraging cycle. The global economy grew at 3.8% in 2017. Following this broad-based improvement, the International Monetary Fund (IMF) raised its global growth estimates for 2018 and 2019 to 3.9%. Back home, the Indian economy grew at 6.7% in the financial year 2017-18. During the year, our economy displayed healthy resilience to the disruptions caused by the implementation of a path-breaking reform – the Goods and Services Tax (GST). Normalisation of these issues, coupled with gradual improvement in private capex and consumption demand, are likely to boost India's GDP growth to 7.4% (as per the Reserve Bank of India (RBI) estimates) in the financial year 2018-19.

The Indian cement industry witnessed a healthy momentum in the year gone by, with demand gathering pace in the second half of the year. The uptick in demand in the second half was partly aided by the low base effect of the demonetisation-driven weak sentiment in the fiscal year 2016-17. India's total cement production capacity stood at ~455 million tonnes in the fiscal year 2017-18 and is likely to expand by 6-7% in the current fiscal year on the back of improving prospects of the housing segment and higher infrastructure spending. As per ICRA, cement production grew by 6.3% to 298 million tonnes in the year, with much of the growth coming in the second half. ICRA expects cement production to grow by 6% in the fiscal year 2018-19. Select markets such as the eastern states of India are emerging as relatively untapped markets for the cement companies. Therefore, companies having a firm-footing in these markets have the potential to gain optimum profits.

We are enthused by the welcoming response received in the Eastern market and believe this expansion could drive our growth as well as profitability higher in the medium-term.

Your Company has clocked an impressive performance in the financial year 2017-18. Our overall sales volumes grew by 15.2% compared to the previous year, to 4.93 mtpa. The sales volume of Ground Granulated Blast Furnace Slag (GGBS) increased by 15.3 % in the year. Overall revenue growth during the year was constrained by the muted performance in the Southern market. Well-balanced growth in both volumes and realisations aided our revenues, which stood at ₹1,588 crores, registering a growth of 12.2% over the previous year. We are enthused by the welcoming response received in the Eastern market and believe this expansion could drive our growth as well as profitability higher in the medium-term. During the year, we commissioned an additional grinding unit facility with a capacity of 1.20 mtpa at our Vijayanagar plant and successfully launched our Portland Slag Cement (PSC) and Concreel HD products in East India.

Looking ahead, your Company plans to ramp-up the capacity to 20 mtpa over the next 2-3 years. We are also on our way to increase capacities by setting up clinkerisation and cement-grinding facilities. These include a 1.2 mtpa grinding facility each at our Dolvi and Jajpur and a 1 mtpa clinker facility at our 100% subsidiary in Fujairah, UAE. To realise this goal, we have earmarked ₹1,000-₹1,500 crores capex. Simultaneously, we are open to making strategic acquisitions of good quality assets. North and Central India will be the key growth markets for your Company. Your Company is also gearing up to get listed within the next 3-5 years, which will lead to significant value unlocking, besides providing growth capital.

At JSW Cement, it is our constant effort to enhance our operational efficiencies. We aspire to bring down our power costs substantially by setting up captive thermal power plants (18 MW capacity) and solar plants (5 MW) at our Nandyal and Salboni facilities. Your Company has also invested in alternate fuel systems to curtail the overall fuel costs.

Your Company remains dedicated to the cause of uplifting the lives of the people in India and continues to do outstanding work in the areas of improving sanitation, facilitating education and empowering women in the regions surrounding the cement plants. Moreover, we also invest in healthcare services and rural development and are aligned to the Government's Swachh Bharat Mission.

Looking ahead, we will continue our journey to become a global leader in the cement sector and create long-term value for all our stakeholders.

I would like to thank our people, partners and all other stakeholders for their steady commitment, engagement, support and encouragement in our journey. I am grateful for your continued trust and significant contribution in our journey to excel.

Regards,
Nirmal Kumar Jain
Chairman

Managing Director's Communique

Your Company reported good performance this year, owing to our strong focus on operating efficiency, capacity building and a remarkably successful launch in the Eastern states of India. Our net sales on a standalone basis grew by 12% to ₹1,588 crores and our operating EBITDA grew by 8% from ₹307 crores in FY 2016-17 to ₹332 crores in FY 2017-18.

Dear Shareholders,

It gives me immense pleasure to share with you JSW Cement's performance for the financial year 2017-18. This year your Company embarked on a journey to be Better Everyday – an undying commitment to put our best foot forward and consistently strive towards excellence. In line with this philosophy, this year, your Company recorded the highest production, net sales and operating EBITDA figures. At JSW Cement, we continue to Grow Stronger zealously as we step into the new financial year.

A Year of Growth and Betterment

Your Company reported a good performance this year, owing to our strong focus on operating efficiency, capacity building and a remarkably successful launch in the Eastern states of India. Our net sales on a standalone basis grew by 12% to ₹1,588 crores and our operating EBITDA grew by 8% from ₹307 crores in the financial year 2016-17 to ₹332 crores in the financial year 2017-18.

This year, with the commissioning of our grinding unit at Salboni in West Bengal, your Company has established a strong presence in East India, with great demand for our PSC Cement at par with 'A Category' priced peers. Last year, we successfully launched an innovative eco-friendly premium grade cement, Concreel HD, which delivers six core strengths in one cement, including high early and final strengths and chemical resistance. This year, this product saw splendid acceptance across all our markets and in the East, it has become the highest priced cement brand. Our sales in the East have grown to 3.4 lakhs tonnes in the financial 2017-18, backed by a steady expansion of our network in the region to 1,200 dealers. In the South, we continue to constantly strive to bridge the price gap between our product and that of some of our competitors through a gradual pricing strategy.

Expansion Plans

Your Company is focused on expanding our installed capacity and thereby strengthening our market position. With the expansion capacity of 1.2 mtpa planned at our Dolvi unit, we are emerging as one of the top brands in the state of Maharashtra. We are also planning coastal dispatches of our cement from Dolvi to cater to the demand along the west coast of India.

We started production at our 2.4 mtpa grinding unit at Salboni in West Bengal this year. We have also commissioned a railway siding to service the entire Eastern region faster and better.

Moreover, we aim to start production from our 1.2 mtpa grinding unit at Jajpur, Odisha by the end of this financial year. With these expansion plans in place, our installed capacity will increase from an existing 11.60 mtpa as of March 31, 2018 to a targeted 14 mtpa by the end of the next financial year. Additionally, we are also in the process of setting up a 1 mtpa clinkerisation unit at Fujairah, UAE, to cater to the clinker demand at our domestic units, thereby de-risking ourselves to the volatility in global clinker prices.

Furthermore, in the last financial year, we secured two limestone mines in the states of Rajasthan and Gujarat through the mining auction process. Your Company plans to develop these mines and set up greenfield cement plants in the Northern parts of India to fulfil the growing demand of cement and have a pan-India presence.

Internal Efficiency Enhancement

With Better Everyday as our guiding principle, we have progressively been improving our internal efficiencies and optimising our processes and will continue to do so. This year, we reduced our cost of financing and procurement costs and saw a healthy improvement in our credit rating.

Technology enhancement is at its peak today and organisations world over are leveraging IT systems as facilitators for growth. In line with this, your Company has taken some key initiatives in IT enablement for process efficiency enhancement, use of analytics in decision-making and improvement in customer engagement. Moreover, this year, we are also aiming to completely automate our dispatch and logistics planning and execution processes.

We are making active efforts to combat increasing fuel costs. We are commissioning Captive Solar Power Plants at Salboni and Nandyal in the first quarter of the financial year 2018-19 and will also start Captive Thermal Power Plants in these locations by June 2019. We are already in the process of using alternate fuel at our mother plant, Nandyal, Andhra Pradesh and expect to record 20% alternate fuel usage by calorific value by October 2018.

Strong Community Relationship

We, at JSW, believe that given the right opportunity, every person has immense potential to flourish and we take conscious steps to support and empower communities.

In Maharashtra we have taken up an initiative to track and eradicate malnourishment in children. In the East, we are establishing a super speciality hospital close to our plant at Salboni, in a first-of-its-kind public-private partnership with the Government of West Bengal. Across all our other locations too, we are committed to reducing social and economic inequalities by providing better opportunities through healthcare, education, sanitation, skill development, agriculture support and employment.

Outlook for the Next Year

In the coming year, the cement industry in India is expected to grow by 6-7%, with massive infrastructure projects lined up, gradual improvement of sand availability and the much-anticipated recovery in rural demand. In this backdrop, the financial year 2018-19 will be a very critical year in your Company's journey towards excellence. Our business plan reflects the aggressive targets we have set for ourselves across geographies.

We have capacity expansion plans across India and furthermore, we look forward to launching our Composite Cement brand in the South and East. We have innovative marking campaigns planned out for the year, with our TV commercials already on air and along with strong technical and branding support on ground. We will also make the most of all opportunities to bolster our position in existing markets and explore new terrains from inorganic expansions.

At JSW, we believe safety is a way of life. This year, we are making special efforts to improve our safety performance and set new standards for the entire industry. We have already engaged DuPont Consultancy to actively review and set cutting-edge safety norms for all our plant locations.

Finally, I would like to express my gratitude to the entire team here at JSW Cement for their hard work and commitment, which is the backbone of our Company's growth and success.

As we kick-off the new financial year, I am confident that we will scale new heights and deliver greater value for all our stakeholders.

Sincerely,
Parth Jindal
Managing Director

Board of Directors

Mr. Nirmal Kumar Jain
Chairman

Mr. Parth Jindal
Managing Director

Mr. Nilesh Narwekar
Whole-Time Director & CEO

Mr. Narinder Singh Kahlon
Director-Finance & CFO

Mr. Kantilal Narandas Patel
Non-Executive Director

Mr. Biswadip Gupta
Non-Executive Director

Mr. Pankaj R. Kulkarni
Non-Executive Director

Mr. Jugal Kishore Tandon
Independent Director

Mr. Jai Prakash Narain Lal
Independent Director

Ms. Sutapa Banerjee
Independent Director

About JSW Cement

We are India's leading manufacturer of 'Green Cement', which is eco-friendly and has pollution management capabilities while contributing to natural resource conservation. When we started in 2009, our vision was to contribute to and create a sustainable and self-reliant India. We have stayed committed to our goal and today are India's largest manufacturers of Portland Slag Cement (PSC) – an environment-friendly and globally popular variant of blended cement.

We manufacture future-ready, high-quality cement, thus meeting the evolving requirements of the construction industry through our products including PSC, Ground Granulated Blast Furnace Slag (GGBS), Ordinary Portland Cement (OPC) and Concreel HD. We cater to the growing demands of southern, eastern and western India through our expansive and robust distribution network and world-class facilities based in West Bengal, Andhra Pradesh, Karnataka, Maharashtra and Odisha.

Over the years, we have been recognised for our energy-efficient systems and processes and are focused on providing the industry with the best products, services and practices.

We aim to become a leading player in the cement sector and make India an infrastructural force to reckon with. Our vision and values are our guiding force behind our actions.

Our Vision
Global recognition for quality and efficiency while nurturing nature and society

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

Our Core Values
Transparency. Strive for excellence. Dynamism. Passion for learning

Production and sales highlights from the year

PSC	Production*	Sales**
2017-18	2.59 mtpa	2.56 mtpa
2016-17	2.36 mtpa	2.35 mtpa

* Includes trial run quantity of 0.21 MT.
** Includes trial run quantity of 0.20 MT.

OPC	Production#	Sales
2017-18	0.19 mtpa	0.19 mtpa
2016-17	0.12 mtpa	0.12 mtpa

Saleable production

GGBS	Production#	Sales
2017-18	2.03 mtpa	2.03 mtpa
2016-17	1.76 mtpa	1.76 mtpa

Concreel HD	Production	Sales
2017-18	0.16 mtpa	0.15 mtpa
2016-17	0.07 mtpa	0.05 mtpa

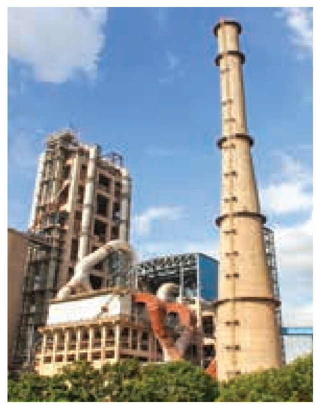
Saleable production

Corporate Journey and Milestones

2018
Installed a cement-grinding mill with a capacity of 1.2 mtpa at Vijaynagar, Karnataka and another with a capacity of 2.40 mtpa at Salboni, West Bengal. Launched the Salboni plant in West Bengal. Total cement manufacturing capacity is 11.60 mtpa

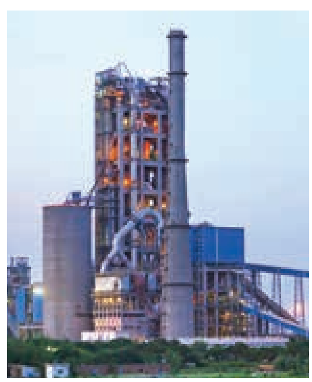
2017
Acquired Shiva Cement Ltd., a listed company having a clinkerisation capacity of 0.10 mtpa and cement-grinding capacity of 0.20 mtpa. Total manufacturing capacity is 8.0 mtpa

2016
Commissioned cement-grinding facilities with a capacity of 0.36 mtpa at Dolvi, Maharashtra and 1.2 mtpa at Vijayanagar, Karnataka. Total manufacturing capacity is 7.8 mtpa

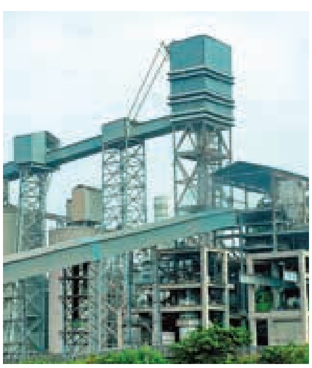


2015
Acquired a cement-grinding unit having a capacity of 0.6 mtpa at Dolvi, Maharashtra. Total manufacturing capacity is 6.3 mtpa

2014
Dolvi Maharashtra facility acquired and commissioned having capacity of 0.06 mtpa Total manufacturing capacity is 5.7 mtpa



2012
The Nandyal unit in Andhra Pradesh is integrated cement facility with clinkerisation capacity of 2.2 mtpa and cement grinding capacity of 4.8 mtpa. Total manufacturing capacity is 5.6 mtpa



2009
The Vijayanagar unit in Karnataka commissioned with a manufacturing capacity of 0.8 mtpa

2006
Incorporated

Evolution from FY12 to FY18 (Standalone)

Capacity	Production	Revenue (NOED)*	Operating EBIDTA
FY 2018 11.60 mtpa	FY 2018 4.97 mtpa	FY 2018 ₹1,588.0 crores	FY 2018 ₹331.5 crores
FY 2017 8.0 mtpa	FY 2017 4.31 mtpa	FY 2017 ₹1,414.8 crores	FY 2017 ₹306.5 crores
FY 2012 5.6 mtpa	FY 2012 0.70 mtpa	FY 2012 ₹273.3 crores	FY 2012 ₹84.9 crores

*NOED – Net of excise duty.

Product Mix

FY 2018
- Portland Slag Cement (PSC)
- Ordinary Portland Cement (OPC)
- Concreel HD (CHD)
- Ground Granulated Blast Furnace Slag (GGBS)

FY 2017
- Portland Slag Cement (PSC)
- Ordinary Portland Cement (OPC)
- Concreel HD (CHD)
- Ground Granulated Blast Furnace Slag (GGBS)

FY 2012
- Portland Slag Cement (PSC)
- Ground Granulated Blast Furnace Slag (GGBS)

Salboni plant, West Bengal

Product Portfolio

Portland Slag Cement (PSC)

A cement with high-flexural strength and low risk of cracking

PSC is a blended, non-metallic cement with improved workability and a superior finish. Therefore, it is the most suitable cement for infrastructure projects. It provides ultimate compressive strength, has excellent resistance to chloride and sulphate attacks and offers better compatibility with all types of admixtures. Moreover, the cement offers ease of pumping along with better resistance against alkali-silica reaction.

Ordinary Portland Cement (OPC)

Most commonly used cement

OPC is used in general concrete construction work. We manufacture high-quality OPC conforming to the IS:269-2015 standard. It provides high early strength and has fast-setting properties. The cement can be used in general civil engineering construction work, Reinforced Cement Concrete (RCC) works and in building pre-cast items such as blocks, tiles, pipes, etc. and even asbestos products such as sheets and pipes.

Concreel HD

One Cement Six Strengths – the next-generation 'green' cement

Concreel HD is designed to provide high early and long-term strength to concrete-based constructions. It has quick-setting features that make it ideal for strength-bearing applications. Being a green product, it aids in the conservation of natural resources, reduction of carbon dioxide emission by 35% and reduction in energy usage (fuel and electricity). Concreel HD also provides improved protection from chemicals and water, increasing the structure life. It also provides protection from corrosion and has superior cohesion properties, resulting in minimum water requirement and lesser bleeding of concrete.

Ground Granulated Blast Furnace Slag (GGBS)

A unique supplementary cementitious material perfect for concrete construction

GGBS offers high durability and provides longer strength. It has better particle packing properties due to the fine nature of the GGBS particles. It offers long-term strength development and contributes towards sustainable concrete construction. The likelihood of thermal cracking is also reduced with the use of GGBS.

Product Approval for Leading Projects

Approval secured from government bodies and major projects for PSC and GGBS.

All India
Approval from Central level in 2017-18

Indian Road Congress ▶ GGBS
National Building Construction Company ▶ PSC
Power Grid Corporation ▶ PSC

South Zone
Approving Authority

Nimrithi Kendra – Karnataka ▶ PSC
National Small Scale Industries Corporation Ltd. – Karnataka ▶ PSC
Public Works Department (Kerala) – Kerala ▶ PSC
Chennai Metro Railway Corporation – Tamil Nadu ▶ PSC
National Bank for Agriculture & Rural Development – Tamil Nadu ▶ PSC
Tamil Nadu Police Housing Board – Tamil Nadu ▶ PSC
Infrastructure Development Works, Chennai Airport, Airport Authority of India – Tamil Nadu ▶ PSC
Irrigation Department - Incorporation in Schedule of Rates – Telangana ▶ PSC

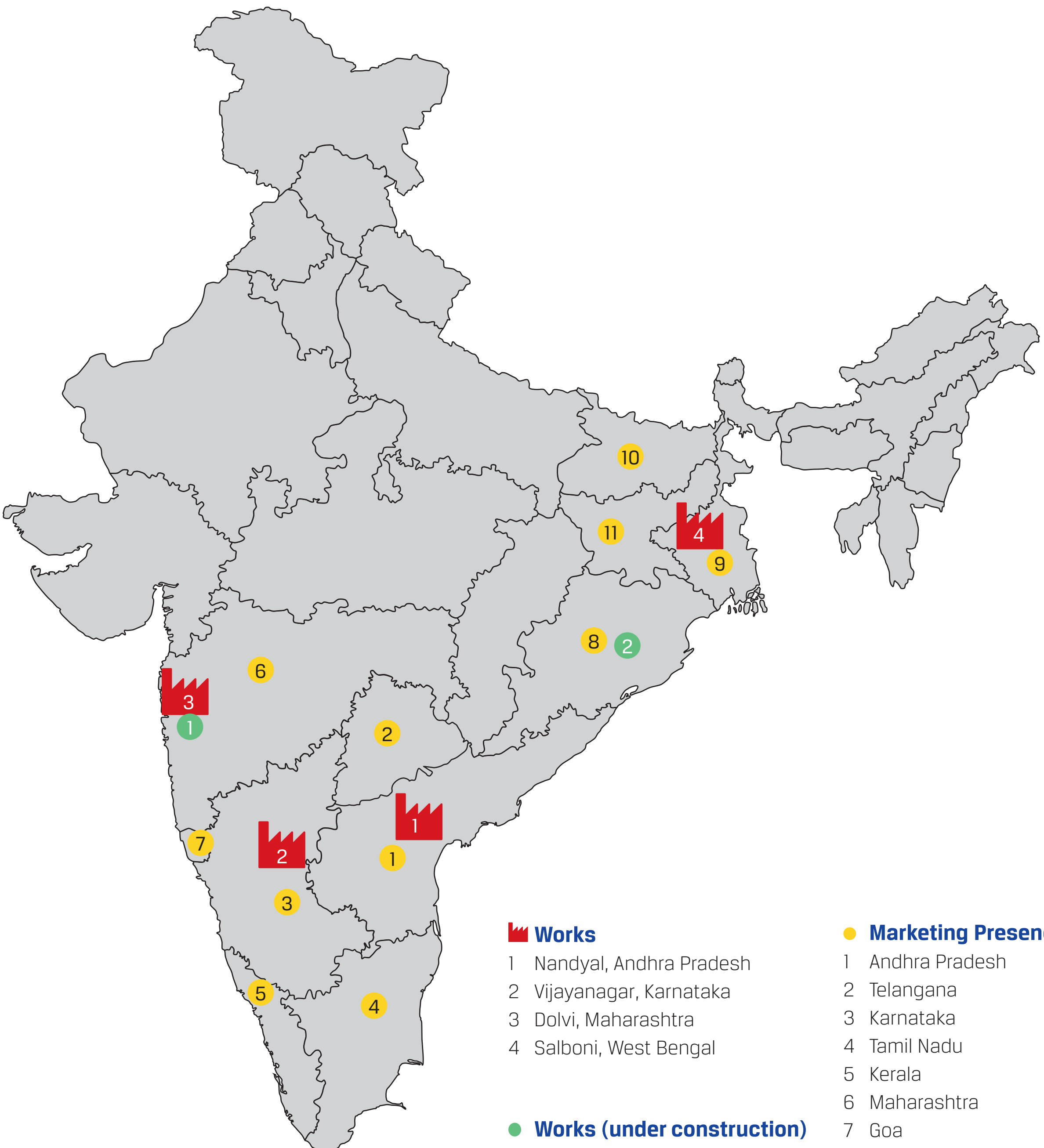
West Zone
Approving Authority

Mumbai Metro Line 2-B (MMRDA) – Maharashtra ▶ PSC
Pune Metro Rail Corporation – Maharashtra ▶ GGBS

East Zone
Approving Authority

Public Works Department (WB) – West Bengal ▶ PSC
Public Health Engineering Department – West Bengal ▶ PSC
Howrah Improvement Trust – West Bengal ▶ PSC
Kolkata Metro Rail Corporation – West Bengal ▶ PSC
Behrampore Housing Directorate – West Bengal ▶ PSC
Asansol - Durgapur Municipal Corporation – East Zone ▶ PSC

Footprint



Works

1 Nandyal, Andhra Pradesh
2 Vijayanagar, Karnataka
3 Dolvi, Maharashtra
4 Salboni, West Bengal

Works (under construction)

1 Dolvi, Maharashtra (Expansion)
2 Jajpur, Odisha

Marketing Presence

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

Note: Map not to scale

Manufacturing Facilities

We have built state-of-the-art manufacturing facilities across India's leading states and will stay committed towards manufacturing eco-friendly cement.

Vijayanagar, Karnataka

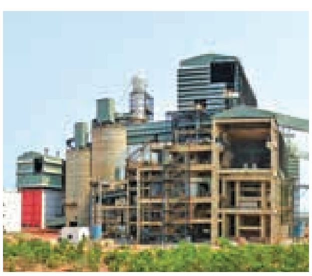
During the year, the production capacity at this plant was ramped up from 2 mtpa to 3.2 mtpa. This expansion has helped us streamline the product mix and optimise logistics costs. We manufacture PSC and GGBS at Vijayanagar Works. The unit is an eco-friendly campus, majorly covered by trees and plants. It is well connected by rail and has an automated rail-loading facility.

Nandyal, Andhra Pradesh

It is the first cement plant in India with the Combi-Comflex technology and has multiple systems controlling air and dust pollution. It is one of the most energy-efficient cement plants with a production capacity of 4.8 mtpa. The unit produces PSC, GGBS and Ordinary Portland Cement (OPC) and has launched Concreel HD in 2017-18, which is a superior slag cement product. Nandyal Works has earned several awards for being a green plant–it consumes lesser amount of limestone compared to the conventional cement plants and contributes largely to water conservation. The alternate fuel project at the plant is progressing well. Carbon black addition and liquid fuel firing project as replacements for coal have been commissioned. These initiatives will help in bringing down the fuel cost at the plant, by recycling wastes from other industries.

Dolvi, Maharashtra

Dolvi Works is a highly efficient facility with a production capacity of 1 mtpa. The unit, located on the west coast of India, is well-connected by road, rail and waterways. The plant produces PSC and GGBS and has launched Concreel HD in 2017-18. An expansion project to ramp-up the total production capacity to 2.2 mtpa is currently in the commissioning stage.

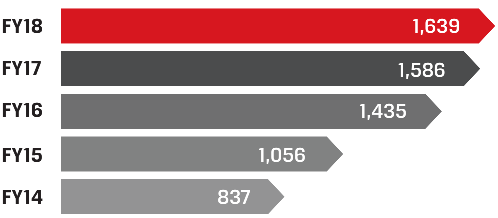


Salboni, West Bengal

Salboni has one of the largest cement plants of West Bengal, strategically located to meet the demands of the region. Launched in 2017-18, the plant is well-equipped with the most modern grinding technology and highly advanced pollution control equipment, thereby minimising the impact on the environment. The unit produces 2.4 mtpa of cement. It manufactures superior quality PSC and Concreel HD. Further, it ensures separate grinding of slag and clinker, which allows better particle size distribution, thereby resulting in higher strength of the cement. The plant has a modern railway siding with its own wagon tippler to receive inbound raw materials and a fully mechanised cement-loading system for outbound cement products. The unit has undertaken a massive Green Mission to plant trees within the plant area.

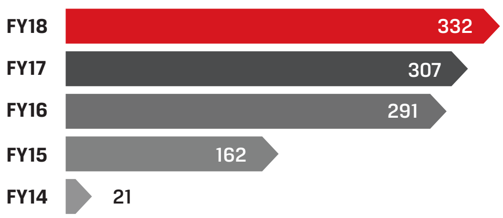
Key Performance Indicators [Standalone]

Gross Revenue ₹ in crores



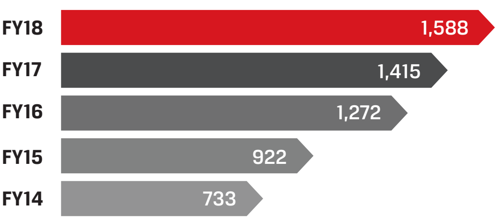
5-year CAGR 18.29%

Operating EBITDA ₹ in crores



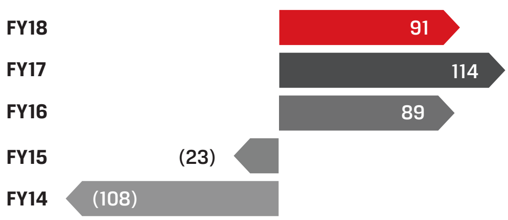
5-year CAGR 99.40%

Net Revenue ₹ in crores

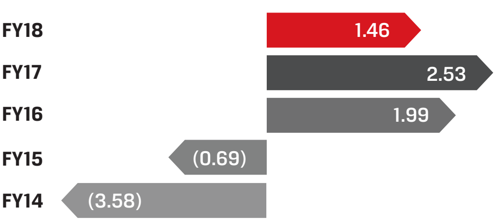


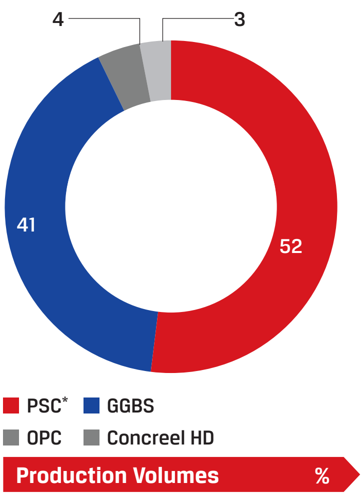
5-year CAGR 21.31%

Profit for the year ₹ in crores

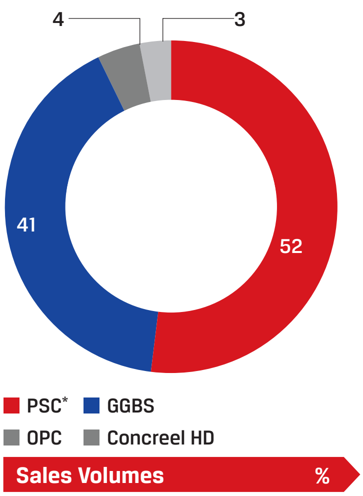


Earnings Per Share ₹ in crores





*Includes trial run quantity of 0.21 MT.



*Includes trial run quantity of 0.20 MT.

Increase in sales volume

PSC	GGBS	OPC	Concreel HD
8.9%	15.3%	58.3%	200%

Overall increase 15.2%

Business Model

Process

INPUTS	OUTPUTS (Consolidated)	OUTCOMES
Financial Capital Raising funds via an optimum mix of debt and equity	**Total Income:** ₹**1,741** crores **EBITDA:** ₹**453** crores **Net Profit:** ₹**150** crores **Net Worth:** ₹**1,250** crores	Double-digit return ratios Improvement in debt-equity ratio
Manufacturing Capital World-class manufacturing facilities for production of slag-based cement, which are setting new industry standards of excellence and efficiency	**Nandyal, Andhra Pradesh** **Capacity:** **4.8** mtpa Integrated Unit **Salboni, West Bengal** **Capacity:** **2.4** mtpa Grinding Unit **Shiva Cement, Odisha** **Capacity:** **0.2** mtpa Grinding Unit **Vijaynagar, Karnataka** **Capacity:** **3.2** mtpa Grinding Unit **Dolvi, West Bengal** **Capacity:** **1** mtpa Grinding Unit	Cement & GGBS Sales: 4.9 Million Tonnes Premium Cement Products: - PSC Cement - Concreel HD Cement - OPC Cement - Ground Granulated Blast Furnace Slag (GGBS)
Natural Capital Premium-grade raw materials with limestone from our captive mines and slag from Group steel plants	**Raw Material & Traded Goods Cost:** ₹**232** crores **Power & Fuel Cost:** ₹**299** crores	Reduced environmental impact by utilising slag, an industrial by-product, and converting it to usable cement products
Human Capital Our workforce is a dynamic blend of skilled, hard-working labour at our plants and young, innovative think tank with industry pioneers as advisors	**Number of employees:** **1,043** **Employee Wage Costs and Benefits:** ₹**99** crores	A merit-based, growth-oriented work environment
Social Capital We value relationships with communities where we operate and with all the stakeholders across our value chain, as the backbone of our business	**CSR Expenditure:** ₹**3** crores	Engaging influencers through conclaves, meets, publications, loyalty programmes, rewards and recognitions, and thereby increasing demand at our dealer stores

Megatrends: Sizeable Growth Opportunities

Improved Prospects of the Real Estate Sector

Implementation of the Real Estate Regulation and Development Act or RERA in the year has improved the compliance and disclosure practices adopted by real estate developers. This, in turn, has aided the demand environment across the sector. Similarly, continued government push to the affordable housing sector has led to increased traction in supply as well as demand within this segment. Improving prospects of the real estate sector augurs well for the cement business in India.

Favourable Policy Environment

Over the past four years, the Government of India has put in place multiple growth enablers for the infrastructure and cement sectors. These include higher allocation to infrastructure projects in the Union Budget, increased spending on roads and railways across the country and implementation of mega projects such as the Dedicated Freight Corridors and Ports. These initiatives will give impetus to construction activity and aid cement demand.

Growing Urbanisation

With development of 500 cities under the new Urban Development Mission and the initiative to build 100 smart cities, the pace of urbanisation is likely to accelerate in India. Construction and cement sectors stand to benefit the most from this trend.

Strong Potential for Cement Consumption in India

Improving economic growth, continued thrust on boosting India's infrastructure sector and materialisation of pent-up demand are prime drivers for cement consumption in the future. Against this backdrop, cement consumption in India is likely to grow at a healthy pace over the next 2-3 years. Large players with state-of-the-art capacities are best-positioned to leverage these opportunities.

Strategic Priorities

Capacity Expansion

The Company intends to take its total capacity to 20 mtpa in next 2-3 years from 11.60 mtpa currently. This target will be achieved by a mix of brownfield and greenfield projects and acquisitions. Besides setting up a new 1.2 mtpa facility in Jajpur, Odisha, we are also looking to ramp up the production capacity at our Dolvi plant to 4 mtpa. This expansion drive will also extend to our facility in Fujairah, UAE.

Inorganic Growth

The ongoing bad loan resolution process has opened up opportunities to acquire assets in the domestic market. These are strong assets of debt-laden companies that have significant potential to grow. We will proactively explore such inorganic opportunities to scale up our capacities swiftly.

Value Unlocking via IPO

We believe we have achieved reasonable scale and can tap into the equity markets to unlock the real value of our business. We are looking to launch an initial public offer in the next 3-5 years and reap the multiple benefits of listing, besides raising growth capital in an efficient manner.

Driving Innovation

JSW Cement has always focused on championing innovation across its products as well as processes. Innovation is a constant for us and we will make all the investments necessary to sustain this momentum. In the ongoing fiscal year, we look forward to launching our Composite Cement brand in the South and East of India.

Improving Efficiencies

We at JSW Cement are committed to achieving higher efficiencies across all our operations. To bring down our overall power costs, we are setting up captive plants to produce thermal and solar power and are also investing in alternate fuel systems. Similarly, during the current fiscal, we will embrace multiple automation processes in our dispatch and logistics planning activities to curtail our overall costs.

Risk Management Framework

The Company has a comprehensive and robust risk management framework that identifies and evaluates business risks and opportunities. The Company recognises that emerging and identified risks need to be managed and mitigated to:

Protect shareholders and other stakeholders' interest

Achieve business objective, and

Enable sustainable growth

Identified risks are prioritised based on impact and likelihood of occurrence. The Company has constituted a sub-committee of Directors to oversee Enterprise Risk Management framework to ensure:

Execution of decided strategies with focus on action

Monitoring of risks arising out of unintended consequences of decisions or actions related to performance, operations, compliance, incidents, processes, systems

Management of risks appropriately

The Key Risks and their Response Strategies Considered by the Company are as under:

- **Competitive dynamics & industrial cyclicality:** The risk is managed through widening and deepening customer reach and focusing on consistent quality.

- **Raw material availability & cost:** The risk is managed by broad-basing vendors from different geographies, exploring various contract options like long-term/ spot, relationship management with vendors etc.

- **Logistics & infrastructure:** The risk is managed by creating a centralised logistics cell to ensure end-to-end integration and optimisation of infrastructure spend.

- **Technology & operational disruptions:** The risk is managed by effective management of automation systems, spares management, maintenance scheduling, insurance cover for plant interruptions and loss of profit.

- **Environment, health & safety:** The risk is managed by compliance with norms through right selection of equipment, processes, inputs and tracking emissions, along with tracking changing technology and future norms for advance planning, safety training, medical facilities and health insurance policy for employees and their families.

- **Manpower availability with desired skill-sets:** The risk is managed by manpower planning in line with growth strategy, on the job/online trainings to develop competencies and soft skills. The risk of labour turnover is mitigated by well-crafted recruitment policy and appraisal system.

- **Reputation:** The risk is managed by value driven leadership; adhering to highest standards of governance and code of conduct extending even to business partners.

- **Finance:** The financial risks are managed by proactive tracking of funding and covenants, regular review of hedging strategy, cost optimisation, inventory, receivables and vendor credit management.

- **Confidentiality, integrity & security of data and systems:** The risk is managed by implementing security policies and procedures, antivirus/endpoint security deployment, operationalisation of disaster recovery sites and implementation of disaster recovery plan, along with regular training on IT security.

Corporate Initiatives

During the year, we undertook a host of activities to expand our business and the brand equity of our cement products. To connect with people, dealers and other influencers in the geographies targeted by us, we invested in multiple social branding initiatives. These include:

Maharashtra Launch

JSW Cement launched a new variant of cement, Concreel HD, in Maharashtra in October 2017. It was launched in markets across Greater Mumbai, Navi Mumbai, Thane and Raigad district. The cement will be supplied from our manufacturing unit of 1 mtpa at Dolvi, Maharashtra.

MOU Signed with Government of Maharashtra

JSW Cement signed an MOU for the cement expansion plan of the Dolvi plant from 0.96 mtpa to 4.5 mtpa with an investment of ₹800 crores by 2020 at the Magnetic Maharashtra Convergence in February 2018. The MOU was signed with the Maharashtra state government in the presence of Hon. Chief Minister Shri Devendra Fadnavis.

Brand Tag Line Evolution

To mark our evolution and reflect our achievements, we have decided to change our tagline to 'Start strong. Grow stronger.' We feel it stands for our past as well as our future, as we started strong and intend to grow even stronger in the future. As before, we will strive to help India build homes that keep growing stronger with time. But our ambitions are growing too. JSW Cement intends to be the partner who helps make India stronger by contributing to key infrastructural projects of various states. Infrastructure made with JSW Cement in these states will grow in strength over time, paving the way for a stronger nation.

West Bengal Launch

JSW Cement started operations in eastern India in July 2017 by launching PSC cement in West Bengal. Our Salboni plant is catering to the demand in the eastern markets. The launch was supported by a new television campaign – "Ghar ko Do Maa Jaisa Pyaar". The TVC was directed by Mr. Shoojit Sircar and the music composer and singer was Mr. Anupam Roy. The campaign was well appreciated and helped in creating a strong brand communication for the Company.

Salboni Plant Inauguration

West Bengal Chief Minister Smt. Mamata Banerjee inaugurated JSW Cement's manufacturing unit of 2.4 mtpa at Salboni in January 2018. Shri Malay Kumar De, Chief Secretary, Government of West Bengal was also present, along with members from the Jindal family – Mrs. Savitri Jindal, Mr. Sajjan Jindal, Mrs. Sangeeta Jindal, Mr. Parth Jindal and Mrs. Anushree Jindal.

Priority Dealer Store

JSW Cement launched Priority Dealer Stores in West Bengal. Selective retail stores were given a complete makeover and additional value-added services were delivered through these stores to the end consumers. This was done to amplify our retail presence and allow us to cater to the masses. Such Priority Dealer stores are also planned for the southern and western markets.

Foundation Stone Laid at Jaipur Odisha

JSW Cement will establish a manufacturing unit at Kalinganagar in Jajpur at Odisha. The foundation stone for the unit was laid by Odisha's Hon'ble Chief Minister, Shri Naveen Patnaik. The plan is to set up a manufacturing unit with 1.2 mtpa capacity, which will be operational by FY19. The JSW Cement manufacturing unit is part of the key projects announced by Shri Patnaik.

Conducted GGBS Conclave

Your Company conducted GGBS conclave on 'Durable Construction using GGBS' in Chennai on 15th February, 2018 to disseminate technical knowledge amongst construction professionals on the advantages of GGBS in achieving durable concrete constructions.

Social Branding

A concept pioneered by the Company to improve the social infrastructure in rural areas. Under this initiative, the Company tires to improve the social infra across the areas of santitation, education and healthcare. As a part of that, following has been executed by the Company.

- Sanitation
- Education
- Healthcare

Sanitation

Construction of toilets is a major focal area of the Swachh Bharat Mission, which aims to make India 'open defecation-free' by 2019. In line with this vision of the Indian Government, JSW Cement Ltd. has initiated the construction of toilets and bathrooms in the rural areas of Karnataka, Kerala, Tamil Nadu, Andhra Pradesh and Telangana.

Education

As part of Education initiative, the Company has helped by building a 300 sq ft. classroom in a government school in Shimoga. The classroom can accommodate 30 students comfortably and has helped school to enroll more students. The Company has received numerous accolades from the local community for this.

Healthcare

In Marakkara Graam Panchayath, a small village in Malappuram district of Kerala, kidney ailments were affecting a large number of people. JSW Cement undertook the task of building a dialysis centre in the village to help patients receive on-time treatment. This initiative by JSW Cement was widely appreciated by dignitaries from social, political and business backgrounds.

Corporate Social Responsibility (CSR)

At JSW Cement, we follow a complete life-cycle management approach to bring concrete changes in the lives of children, men and women. Although our primary focus areas are the villages around our plants, We aim to enhance livelihood capabilities beyond these geographical boundaries. We spent ₹326.02 lakhs on CSR initiatives during the year.

Our Key Areas of Intervention are:

- **Maternal and child healthcare services**
- **Access to improved nutrition services**
- **Education for all**
- **Access to adolescent reproductive and sexual health and rights**
- **Enhancing livelihood opportunities**
- **Employability and vocational education**
- **Promoting responsible parenthood**

CSR Activities Undertaken in Salboni in FY 2017-18

- Improving living conditions
- Organised health camps
- Provided healthcare services
- Arranged for 24-hour ambulance services
- Educated youth in paramedical services
- Promoting Social Development
- Educated people on health and hygiene
- Conducted awareness programmes through folk shows in local languages about infectious diseases such as dengue, malaria, etc. and the benefits of using toilet
- Conducted an ORS distribution programme to prevent sun stroke and dehydration in the summer season, benefitting 6,562 people
- Youth from the area were given professional training in paramedical technician services in the areas of Home Health Aide (HHA), General Duty Assistant (GDA), Dialysis Technician, Emergency Medicine, OT Technician (OTT) and Pharmacy Assistant
- Provided extra coaching facilities to underprivileged students of VII, IX and X standards, helping them prepare well for their board exams

We spent
₹70.44 lakhs

CSR Activities Undertaken in Nandyal in FY 2017-18

We spent

₹**255.58** lakhs

Digital classes

Scaled up e-classes to 7 more schools of Gadivemula Mandal in 2017-18 from the 5 schools earlier. Provided orientation on operation/utilisation of digi class to the teachers.

Mid-day meal

Rolled out a pilot project in association with Radhakrishna Food Services Pvt. Ltd., by establishing modular kitchens in two schools (MPP School – Bujunur and MPUP School – Bilakalagudur). Provided another 9 modular kitchens in FY 2017-18. Intend to replicate the same in the rest of the 36 Government schools of Gadivemula Mandal in phases.

Bicycle/scholarship distribution to students

Distributed 32 bicycles to the girl students traveling from Bilakalgudur, Bujunur and Allagadda villages to Gadivemula to pursue secondary education. Distributed scholarships to 79 students in the year. Distributed 424 sets of free study material to underprivileged students studying in classes X and XII at Government Schools of Gadivemula.

Promoting cleanliness and hygiene

Provide sanitary napkins every month to 466 adolescent girl students, 286 women of Bujunur village and 317 women of Bilakalagudur to promote menstrual hygiene. Organised 'One Cleanness' programme every two months to improve sanitation by removing dust from road, schools and the surrounding villages of Bilakalagudur and Bujunur Planted ~1,230 saplings. Constructed 300 individual household toilets in the year in accordance with the MoU formed with the NGO, Bharathiya Women and Rural Development Society.

Water and medical camp at Mahanandi and Bhogeswaram

Our Company's medical team treated 3,473 pilgrims suffering from minor ailments and gave free medicines during February 2018.

Health services

Started 182 mobile health camps and 18 special health camps covering 12 villages, benefiting 14,571 people. We are implementing HIV/AIDS prevention programme among the truckers in association with Bhoruka Charitable Trust. 11,414 truckers have benefited from this initiative in FY 2017-18.

Awards and Accolades

As we stood by our motto of producing eco-friendly cement and helping conserve natural resources, various Government and non-Government bodies recognised our efforts. Some of the key environment awards received by our units during the year are:

Nandyal unit

GreenCo Gold Award, 2017

Confederation of Indian Industry(CII), Hyderabad conferred the Nandyal unit with the Gold Award for Environment Protection under the GreenCo Rating System.

Genentech Safety Award, 2017

Genentech Foundation, New Delhi conferred JSW Cement with the Genentech Gold Award for outstanding performance in Safety Management during the year 2017-18.

GreenPro Certification for GGBS cement

GGBS has been GreenPro certified at the 'Conference on Green Products, Materials and Technologies' organised by Green Building Congress, 2017.

GreenPro Certification for PSC

CII-Green Products and Services Council certified PSC as a green product for being an environment-friendly cement and meeting the GreenPro Certification requirements.

Vijayanagar unit

GreenPro Certification

CII conferred the Vijayanagar unit with GreenPro certification for both PSC and GGBS at the CII-Green Products and Services Council event.

Corporate Information

BOARD OF DIRECTORS

Mr. Nirmal Kumar Jain
Non-Executive Chairman

Mr. Parth Jindal
Managing Director

Mr. Nilesh Narwekar*
Whole-Time Director & CEO

Mr. Narinder Singh Kahlon**
Director Finance & CFO

Mr. Kantilal Narandas Patel
Non-Executive Director

Mr. Pankaj Kulkarni
Non-Executive Director

Mr. Biswadip Gupta
Non-Executive Director

Mr. Jugal Kishore Tandon
Independent Director

Mr. Jaiprakash Narain Lal
Independent Director

Ms. Sutapa Banerjee
Independent Director

COMPANY SECRETARY
Mr. Rahul Dubey

STATUTORY AUDITORS
M/s. Shah Gupta & Co.
Chartered Accountants,
Mumbai

COST AUDITORS
M/s. R. Nanabhoy & Co.
Cost Accountants, Mumbai

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

*Appointed w.e.f. August 8, 2017
** Appointed w.e.f. May 8, 2018

BANKERS

AXIS BANK
Bank of India
BBK
Canara Bank
एक्ज़िम बैंक EXIM BANK
ICICI Bank
इंडियन बैंक Indian Bank
RBL BANK
सिंडिकेटबैंक SyndicateBank
SOUTH INDIAN Bank

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

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

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

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

Dolvi Works
Unit-1
Survey No. 96/1, 96/2, 97/0
Village Khar Karavi, Dolvi,
Taluka - Pen, District - Raigad,
Maharashtra - 402 107
Unit-2
Survey No. 107/B, 109, 114-118, Village
Khar Karavi, Dolvi, Taluka-Pen,
District - Raigad, Maharashtra - 402 107

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

Management Discussion and Analysis

1. Company Status and Performance

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

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

The Company's current production capacity is 11.60 mtpa. At the Dolvi location, the Company is in the process of expanding its Cement Grinding capacity from the current 0.96 mtpa to 4 mtpa in two phases – 1.2 mtpa (Phase 1) and 1.8 mtpa (Phase 2). A new state-of-the-art 120 TPH packer unit supplied by Beumer, Germany, will be commissioned in first quarter of FY19 at the Dolvi location. The Company has further plans to add 1.2 mtpa grinding capacity at Jajpur, Orissa. Blast furnace slag from nearby steel plants as well as flyash from Jindal Stainless Steel's plant will be sourced for manufacture of PSC and PPC at Jajpur.

The Company has started mining limestone from January 15, 2018, and also has plans to set up a 1 million MT clinker manufacturing facility along with a 16 MW captive power plant at Fujairah, UAE. The clinker from Fujairah will be imported to India to meet the clinker requirements of Dolvi plant.

The main thrust of the Company is to produce green cement, i.e. Portland Slag Cement (PSC) which is engineered for strength and durability, by converting industrial by-product (Blast Furnace Slag) into a useful product, and this has reduced the carbon footprint of the Group.

2. Global Economy Overview

The global economy saw cyclical recovery in 2017, growing the fastest since 2011. It expanded by 3.8% in 2017 and is expected to grow by 3.9% each in 2018 and 2019 (Source: International Monetary Fund, World Economic Outlook, April 2018). This growth has

Salboni Plant

been more broad-based than being dependent on a few countries. Although Europe and Asia witnessed commendable economic expansion during the year, growth in emerging and developed economies, too, exceeded IMF's forecasts marginally.

Global trade also recovered in 2017 due to increase in private consumption and investments. Favourable financing costs, rising profits and improved business sentiment contributed to the growth of advanced economies and emerging markets. Developing economies supported the rebound in global investment and provided a substantial boost to global imports and exports.

USA: The US economy gained momentum in 2017 but slipped towards the end. It grew 2.3% for the year compared to 1.5% growth in 2016. Unemployment was recorded to be the lowest in 17 years leading to rising incomes, low borrowing costs and simplification in bank lending standards for residential mortgages. US industrial activity continues to strengthen and expand out, pointing to an increasingly self-sustaining economic expansion. The US tax reform has given modest push to its economy and it is expected that the fiscal policy changes over the coming year will further boost growth in 2018 and 2019.

Eurozone: The European Union's economy grew by 2.5% in 2017, the strongest in the last decade. Easy money policy (zero interest rate) and purchase of financial assets by European Central Bank has provided big support to the financial growth of the region. The economy picked up momentum in the second half of the year, driven majorly by investments and net exports.

Japan: The Asian giant had a great year with its economy growing 1.7% in 2017 and is expected to grow 1.2% in 2018. This is a result of the upward revision of capital expenditure and inventory data. Profits, employment, wage gains and rising private investments will continue to reinforce Japan's economic growth.

United Kingdom: UK's GDP growth is pegged at 1.5% during 2018, a tad lower than the growth of 1.7% in 2017. Consumer spending aside, Brexit is likely to continue to cast a shadow over some aspects of growth. The outlook is uncertain given lack of clarity over Brexit.

China: The country's economy is estimated to have grown by 6.9% in 2017 on the back of a rebound in the industrial sector, a resilient property market and strong export growth. Private consumption is expected to continue to remain the main driver of economic expansion, supported by rising wages and steady job creation.

Outlook

The global economy outlook looks promising for 2018 and 2019 across advanced as well as emerging economies. Economists do not expect inflation to rise much, central banks could reduce liquidity and raise interest rates in response to better growth, while corporate capital expenditure is likely to be a

Hon'ble CM Mamta Banerjee's visit to Salboni Plant on its inauguration function.

prominent growth driver across economies. Strong and integrated global growth momentum, looser fiscal policies and steady credit growth coupled with clear monetary policy and upbeat financial market conditions should continue to drive up the world economy.

3. Indian Economy Overview

India has emerged as the fastest growing economy of the world and is expected to be one of the top three economic powers in the next 10 to 15 years. India's GDP increased 6.7% in FY 2018 and is expected to grow further, by 7.4%, in FY 2019 (Source: RBI). India was also ranked at the 100th position, up by 30 places, in the World Bank's Ease of Doing Business report of 2018. Within South Asia, India is the only country to feature as one of the 10 economies that improved the most.

Implementation of the Goods and Services Tax (GST) was a landmark event in the history of Indian economy after demonetisation. Although it resulted in slowing of the economy along with subdued growth in the agriculture, allied and industry sectors, the situation was seen improving by the third quarter. Corporate earnings have also been good.

Growth rate of GDP and its indicators

GDP indicators	FY 2016-17	FY 2017-18
GDP (constant prices) (₹ lakhs crores)	121.96	130.11
Growth (%)	7.1	6.7
GVA at basic prices (2011-12 prices) (₹ lakhs crores)	112.48	119.76
Growth (%)	7.1	6.5

(Source: CSO)

With the improvement in the economic scenario, there have been various investments across sectors. India's foreign exchange reserves expanded by $1.217 billion reaching $426.1 billion in April FY 2018, leading to surge in foreign currency assets. The monetary policy remained steady and the Reserve Bank of India (RBI) kept interest rates stable after a 25 basis-point cut to the repo rate in August last year.

Retail Inflation as measured by the Consumer Price Index (CPI) remained subdued at 3.5% in FY18 as against 4.8% in the previous year. Average Wholesale Price Index (WPI) inflation though moved up to 2.9% in FY18 as against 1.8% in FY17.

The Index of Industrial Production (IIP) grew 4.3% in FY18 and was a tad below the 4.6% growth posted in FY17. IIP and other high frequency indicators suggest a more profound cyclical recovery in manufacturing than in services.

In FY18, the government has expanded its fiscal deficit target by 30 bps and had made an upward revision of that to 3.5% of the GDP. The actual Fiscal deficit stood at 3.52% in FY18 and was largely in-line with this revised target. This reflects our Government's commitment to the path of fiscal consolidation. The Government has adopted all the key recommendations of Fiscal Responsibility and Budget Management (FRBM) panel including that of assuming Government Debt as the nominal fiscal anchor and fiscal deficit as operational anchor. The fiscal deficit target for FY19 remains at 3.3% of GDP and the target to reduce the central and state government debt to 60% of GDP by 2025 from ~70% levels prevailing currently.

Outlook

India's economic outlook looks positive and is expected to strengthen in FY 2019. Increase in private investments, anticipation of greater stability in GST, growth in employment, education, agriculture, infrastructure and the industrial sector is collectively expected to accelerate Indian economy's growth. Normal monsoon in FY 2019 is expected to boost grain production and help keep a check on food price inflation. Healthy corporate earnings, falling unemployment rate and growing impetus on exports will also be major contributors to India's economic growth.

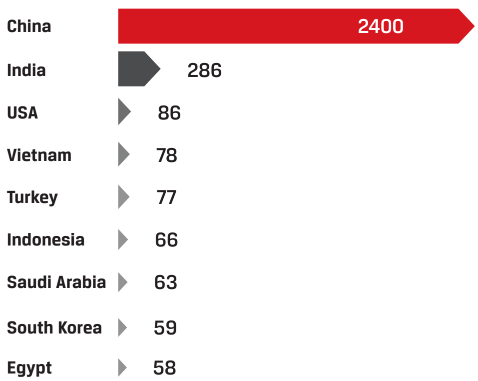
4. Cement Industry Overview

Industry Landscape

India is the world's second-largest cement market and has added 110 million tonnes of cement by way of capacity in the last five years. India's cement capacity stood at 460 mtpa as of December FY 2017 and is expected to increase by 5.0-5.5% y-o-y in FY 2018. There are 575 operational cement plants in the country and the industry is largely dominated by private players (98%). The top 20 cement companies manufacture around 70% of the total cement and a larger share of bigger plants are situated across southern and western parts of India across the states of Andhra Pradesh, Rajasthan and Tamil Nadu.

The Indian cement industry is globally competitive with the lowest energy consumption and CO_2 emissions. Apart from meeting the cement requirement for domestic purposes, the industry also exports cement and clinker to around 30 countries across the globe.

Top Cement Producer in 2017E (in mtpa)



Note: E - Estimate

Source: International Cement Review, Statista, Office of Economic Advisor

The Year's Performance

The year FY 2018 was a relatively slow and difficult one for the industry. Cement demand was flat at 1% during the year, affected mainly by demonetisation but also because of sand shortage, implementation of the Real Estate Regulatory Authority (RERA) Act, weather implications and introduction of GST. A slowdown in the housing sector, which utilises 65% of India's total cement, also led to the deceleration. Ban on sand mining, use of pet coke and diminished market concentration of industry leaders are some of the other contributing factors. Rural demand was affected by less-than-normal monsoon, while cement demand from industrial capital expenditure was adversely affected due to existence of excess capacities across various industrial sectors. The supply side on the other hand continued to reflect over-capacity leading to lower capacity utilisation levels by cement companies.

Cement production grew by 2.7% to 217 mt between April and December FY 2017, from 211 mt in same period the previous year, and is expected to grow modestly in FY 2018.

At a regional level, North India was the most affected by the demonetisation owing to higher proportion of rural population, which lacked access to adequate finances and banking network. The southern region was in a safe zone given higher number of banks and urbanisation which helped in maintaining moderate cement demand.

% Share of Cement Demand in FY 2017

Source: Ministry of External Affairs (Investment and Technology Promotion Division), AT Keamey, CARE Ratings

Government Initiatives

The government allocated US$92.22 billion for infrastructure development in the FY 2018 Union Budget compared to US$76.31 billion in FY 2017. The government's focus on developing roads, railways and infrastructure in the coming years will help the cement industry grow. Projects like Housing for All, Smart Cities Mission and Swachh Bharat Abhiyan are expected to increase cement demand by 6-7% to reach 307 million tonnes during FY 2018, subsequently growing the industry by 5-6% CAGR between FY 2017 and 2020. Improved rural incomes, higher rural credit and increased allocation for rural, agriculture and allied sectors are also likely to increase the demand for rural housing.

Impact of GST on the Cement Industry

Cement falls under the highest GST rate slab and attracts 28% tax. This led to an increase in rate of taxation, further leading to increase in costs for the infrastructure sector. Post implementation of GST, the industry is looking for optimisation avenues in logistics costs through direct supplies and by creating hubs to serve distant markets at lower costs.

Opportunities for the Industry

Adoption of cement over bitumen: Use of cement instead of bitumen for the construction of all new road projects will add to the growth of the industry, developing a niche market for RMC (Ready Mix Concrete).

Increasing investment opportunities: The government is making major investments to develop the infrastructure along with incentivising affordable housing for people across the country. This is a significant opportunity for the industry to grow.

Outlook

The outlook for the cement industry is promising and positive with numerous opportunities and low threat from substitutes. Favourable initiatives and policies will boost the growth of the industry but there is a need for change in the GST rates. Robust investments are being made by the existing players to expand production capacities, which will further add value to the industry. At a regional level, the eastern zone followed by the central and northern regions would see healthier growth in demand over a low base as the state governments have a strong focus on development.

From a long-term perspective, the focus on infrastructure spending by the Government and downward trend in the interest rates will revive demand across sectors. The 7th Pay Commission is also expected to aid in housing demand.

5. Review of Operations

Highlights of FY 2017-18

1. Concreel HD sales volume has increased by 3 times and overall cement sales volume surged by 15.2% over the previous fiscal.
2. GGBS sales volume increased by 15.3% compared to the previous year.
3. Commissioned greenfield grinding unit facility with capacity of 2.40 mtpa at Salboni, West Bengal.
4. Commissioned additional grinding unit facility with capacity of 1.20 mtpa at Vijayanagar, Karnataka.
5. Launch of PSC and Concreel HD in eastern markets.

Way Forward

Plan to increase capacity by setting up cement grinding facilities:

1. 3.0 mtpa (1.2 mtpa in phase-I and 1.8 mtpa in phase-II) grinding facility at Dolvi, Maharashtra.
2. 1.20 mtpa grinding facility at Jajpur, Odisha.
3. 1.00 mtpa clinker facility at 100% subsidiary incorporated at Fujairah, UAE.

6. Financial Performance:

Standalone

Highlights of FY 2017-18

₹ in crores

Particulars	FY 2017-18	FY 2016-17	Growth
Gross Turnover	1,638.6	1,586.1	3.3%
Net Turnover (net of Excise Duty)	1,588.0	1,414.8	12.2%
Operating EBITDA	331.5	306.5	8.2%
EBITDA margin (%)	20.9%	21.7%	(3.7%)
Other Income	40.8	91.6	(55.4%)
Depreciation & amortisation	73.2	53.6	36.6%
Finance cost	193.0	134.1	43.9%
Profit before Tax	106.2	210.4	(49.5%)
Profit for the year	90.7	114.1	(20.5%)
Other Comprehensive Income	3.7	0.4	889.2%
Total Comprehensive Income	94.4	104.5	(17.6%)
Earnings per share (diluted) (₹)	1.46	2.53	(42.3%)
ROCE (%)	10.0	16.2	(38.3%)
Net Debt gearing ratio	1.6	3.0	(46.7%)

Gross turnover and net turnover for FY 2017-18 stood at ₹1,638.6 crores and ₹1,588 crores, respectively, registering 3.3% and 12.2% respective growth on Y-o-Y basis. The growth was primarily on account of an increase in sales volume.

The Company's EBITDA improved to ₹331.5 crores from ₹306.5 crores, reporting a 8.2% growth on Y-o-Y basis. The improvement was mainly due to an increase in sales volume and realisations.

Other Income

Other Income for the year is down to ₹40.8 crores against to ₹91.6 crores in the previous year. In FY 2016-17, the Company had also recognised government incentive for the previous financial year, hence the other income in FY 2016-17 was higher.

Material Cost

The Company's expenditure on raw material for FY 2017-18 increased to ₹208.8 crores from ₹180.5 crores in FY 2016-17. The increase is primarily due to rise in production volume.

Employee Benefits Expense

Employee benefits expense increased by 6.4% to ₹95.6 crores from ₹89.8 crores in FY 2016-17. The increase was primarily due to an increase in annual salary for existing employees, rise in marketing and sales manpower as per business requirement.

Power and Fuel Cost

Power and fuel cost has increased by 18.4% to ₹287 crores from ₹242.5 crores in FY 2016-17. The increase was primarily due to increase in production volume and fuel prices.

Freight and Handling Expenses

Freight and handling expenses has increased by 5% to ₹389.4 crores from ₹371.0 crores in FY 2016-17. This increase was primarily driven by an increase in diesel prices, increase in volumes handled and supplies made to the markets far away from production facilities.

Other Expenses

Other expenses has increased by 19.6% to ₹263.7 crores from ₹220.5 crores in FY 2016-17. The increase was primarily owing to an escalation in the expenditure on advertisement and branding, and increase in selling and distribution expenses.

Finance Cost

The Company's finance cost has increased by 43.9% to ₹193.0 crores from ₹134.1 crores in FY 2016-17. The increase is mainly due to interest on loan availed for new capacities added during the financial year.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by 36.6% to ₹73.2 crores from ₹53.6 crores in FY 2016-17. The increase is mainly attributable to capitalisation of new grinding capacities at Vijayanagar and Salboni location.

Fixed Asset

₹ in crores

	2017-18	2016-17	Change
Tangible Assets	2,267.5	1500	767.5
Intangible Assets	9.4	9.6	(0.2)
Capital work-in-progress	437.3	645.3	(208.0)

Fixed Assets increased during the year primarily due to capitalisation of grinding unit at Vijayanagar & Salboni.

Loans & Advances

₹ in crores

	2017-18	2016-17	Change
Long-term loans	227.9	6.4	221.5

(₹ in crores)

	2017-18	2016-17	Change
Short-term loans	28.8	54.7	(25.9)

Loan on overall basis has increased mainly due to loans provided to the subsidiaries and other entities.

Inventories

₹ in crores

	2017-18	2016-17	Change
Raw materials	66.6	21.6	45.0
Semi-finished goods	26.3	28.1	(1.8)
Finished goods	20.0	18.2	1.8
Stores and spares	77.0	60.3	16.7
Fuel	22.3	29.6	(7.3)
Total	**212.2**	**157.8**	**54.4**

The average inventory holding in terms of number of days as on March 31, 2018, is 61 days vis-à-vis 52 days in March 31, 2017. However, the inventory in terms value has increased mainly due to increase in clinker and increased stock maintained for scale of operations.

Trade Receivables

₹ in crores

	2017-18	2016-17	Change
Trade receivables	164.5	128.8	35.7

The average debtors in terms of number of days as on March 31, 2018 is 37 days compared to 30 days in March 31, 2017.

Borrowings

₹ in crores

	2017-18	2016-17	Change
Long-term Borrowings	1754.8	1486.4	268.4

Long-term borrowings increased by 18.1% during the year. The increase was primarily due to drawal of loan for the expansion projects at Vijayanagar and Salboni.

₹ in crores

	2017-18	2016-17	Change
Short-term Borrowings	304.6	222.4	82.2

Short-term borrowings increased by 36.9% during the year. The increase was primarily due to drawal of working capital loan to cater to the increased scale of operations.

Trade Payables

₹ in crores

	2016-17	2015-16	Change
Trade Payables	498.7	341.4	157.3

Trade payable increased by 46.1% mainly due to increase in acceptances and due to extended credit period availed from vendor.

Capital Employed

Total capital employed has increased to ₹2981.8 crores from ₹2121.4 crores in FY 2016-17.

Average return on capital employed is 10.0 % vis-à-vis ₹16.2% in 2016-17.

Own Funds

Net worth increased to ₹1,163.4 crores vis-à-vis ₹532.5 crores in 2016-17.

Consolidated

The Company has reported a consolidated gross turnover, net turnover, operating EBITDA and profit of ₹1,661.7 crores, ₹1,610.3 crores, ₹323.0 crores and ₹149.8 crores respectively. The Company's consolidated financial statements includes the financial performances of the following subsidiaries.

Subsidiary

JSW Cement FZA, Fujariah UAE
Shiva Cement Limited, Rourkela, Odisha

7. Market Developments

In FY 2017-18, overall sales volumes increased by 15.2% over the previous year. While total cement sales increased from 2.52 million MT to 2.90 million MT, GGBS sales increased from 1.76 million MT to 2.03 million MT. The Company has launched in eastern states of West Bengal, Bihar, Jharkhand and Odisha by initiating supplies from our latest state-of-the-art manufacturing unit at Salboni, West Bengal. During the course of last year, we have also repositioned our brand successfully in the states of Kerala and Telangana, improving our brand equity and realisations in comparison to other competing cement brands.

Sales of Concreel HD, our premium product launched last year, increased to 0.14 million MT strengthening our place in premium cement brands. Concreel HD, which we launched in Maharashtra and West Bengal, Jharkhand, Bihar and Odishamarkets, has also taken premium position in terms of prices in these markets. In Eastern region, Concreel HD is priced above the other A-category brands and is probably the highest priced cement in many eastern markets.

Safety Week Celebration at Salboni Unit, West Bengal.

Ground Granulated Blast furnace Slag (GGBS), the other major product in our portfolio, has also spread its reach in the market by adding more customers, and most renowned ready mix concrete players are increasingly using GGBS in their concrete applications. As a result, the GGBS footprint has increased across the southern markets of Karnataka, Tamil Nadu, Telangana and Andhra Pradesh from the Vijayanagar and Nandyal manufacturing units and also in Maharashtra from our Dolvi unit.

Distribution Network

JSW Cement's network currently covers more than 3,350 dealers and 6,000 sub-dealers including 1,850 dealers added in FY 2018, primarily in the new markets. To further strengthen the Company's customer-centric approach, JSW focused on improved operational efficiency by increasing the field force, rationalising warehouses, engaging more transporters and introducing GPS tracking of goods movement.

We continue to grow on our strengths of transparency in processing dealer discounts, monthly account statement to the dealers and a quicker turnaround on customer concerns. The Company also conducted over 4,000 technical meets for the IHB, masons, engineers and other key influencers in the market.

The Company invested significantly in high recall social branding projects, and also in several brand-building exercises like new TV ads, higher branding spends, better gifts and giveaways for dealers. The social branding projects have helped improve recall and establish JSW Cement as a brand of choice amongst end consumers.

8. Company Growth Strategy

The Company has plans to increase its capacity from 11.6 mtpa to 20 mtpa in next 2-3 years. For West Bengal and Orissa locations, clinker will be imported and slag will be sourced locally. For Maharashtra and Karnataka locations, slag will be obtained from the JSW Group's steel business.

Efficiency Improvement Initiative

To minimise the energy cost, the Company had entered into an agreement with JSW Energy Limited for supply of uninterrupted power supply. The Company had also entered with agreement with JSW Steel Limited for supply of slag, blast furnace gas and coke-oven gas.

9. Risk and Areas of Concern

The Company has a comprehensive and robust risk management framework that identifies and evaluates business risks and opportunities. The Company recognises that the emerging and identified risks need to be managed and mitigated to –

- protect its shareholders and other stakeholders' interest,
- achieve its business objectives, and
- enable sustainable growth

Identified risks are prioritised based on the impact and likelihood of occurrence. The Company has constituted a sub-committee of Directors to oversee Enterprise Risk Management framework to ensure:

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

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

- Competitive dynamics and industrial cyclicality: The risk is managed through widening and deepening customer reach and focusing on consistent quality.
- Raw material availability and cost: The risk is managed by broad-basing vendors from different geographies, exploring various contract options like long-term/spot, relationship management with vendors, etc.
- Logistics and infrastructure: The risk is managed by creating centralised Logistics cell to ensure end-to-end integration and optimisation of infrastructure spend.
- Technology and operational disruptions: The risk is managed by effective management of automation systems, spares management, maintenance scheduling, insurance cover for plant interruptions and loss of profit.
- Environment, health and safety: The risk is managed by compliance with norms through right selection of equipment, processes, inputs and tracking emissions, tracking changing technology and future norms for advance planning, safety training, medical facilities and

health insurance policy for employees and their families.

- Manpower availability with desired skillsets: The risk is managed by manpower planning in line with growth strategy and on the job/ online trainings to develop competencies and soft skills. Risk of labor turnover is mitigated by proper recruitment policy and appraisal system.

- Reputation: The risk is managed by value-driven leadership adhering to highest standards of governance and code of conduct, extending even to business partners.

- Finance: The financial risks are managed by proactive tracking of funding and covenants, regular review of hedging strategy, cost optimisation, inventory, receivables and vendor credit management.

- Confidentiality, integrity and security of data and systems: The risk is managed by implementing security policies and procedures, antivirus/ endpoint security deployment, operationalisation of disaster recovery site, implementation of disaster recovery plan and regular training on IT security.

10. Green Initiative

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

A combination of technology and policy solutions could provide a pathway to reduce direct carbon dioxide emissions from the cement industry by 24% below the current levels by 2050, according to a new report by the International Energy Agency (IEA) and the Cement Sustainability Initiative (CSI).

Pursuant to our belief in Green, we continue to strengthen our green initiative of which we planted the seeds since our incorporation. In recent years, the fruits of our green initiative germination have begun to reap good results and have gained acceptance. The use of low-carbon ground granulated blast furnace slag (GGBS) enables our range of blended cement products to be low carbon when compared to the conventional Ordinary Portland Cement (OPC). Portland cement generates about one tonne of CO_2 for each tonne of cement, while Portland Slag Cement reduces the production and release of damaging pollutants and greenhouse gasses, particularly CO_2. Hence, Portland Slag Cement is considered as Green Cement or eco-friendly cement. The manufacturing of green cement effectively helps not only in pollution management but also in natural resource conservation. As a common practice, blast furnace slag is incorporated in Portland cement production for environmental, technical and economic benefits. It also helps in reducing the carbon footprint of the Group.

11. Forward-Looking and Cautionary Statements

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

Statutory Reports

Standalone Financial Statements

Consolidated Financial Statements

Financial Highlights

Nandyal Plant

Director's Report

Dear Shareholders,

On behalf of the Board of Directors, it gives a great pleasure to present the 12th Annual Report and Audited Financial Statements of JSW CEMENT LIMITED ("the Company") for the financial year ended 31st March 2018.

1. Financial Performance

The key highlights of financial performance for the Company as reflected by its Audited Financial Statements for the Financial Year ended 31st March 2018 is summarized below.

₹ crores

Particulars	Standalone		Consolidated	
	FY 2017-18	FY 2016-17	FY 2017-18	FY 2016-17
Revenue from operations	1,638.57	1,586.13	1,661,73	1,586.13
Other Income	40.84	91.64	130.37	91.62
Total Income	**1,679.41**	**1,677.77**	**1,792.10**	**1,677.75**
Expense				
Cost of material consumed	208.84	180.45	221.44	180.45
Purchase of stock in trade	14.04	21.39	10.07	21.39
Changes in inventories of finished goods, semi finished goods & stock in trade	2.93	(10.30)	(2.48)	(10.30)
Employee benefit expense	95.60	89.82	99.32	89.82
Finance cost	193.00	134.13	197.67	134.11
Depreciation & Amortisation expense	73 .20	53.58	81.14	53.58
Excise Duty Expense	50.61	171.34	51.39	171.34
Power & Fuel	287.00	242.47	299.00	242.47
Freight & Handling Expenses	389.37	370.98	393.66	370.97
Other Expenses	263.68	220.50	271.36	220.53
Captive consumption	(5.04)	(7.00)	(5.04)	(7.00)
Total Expense	**1,573.23**	**1467.36**	**1,617.53**	**1467.36**
Profit before exceptional item and tax	106.18	210.41	174.57	210.39
Exceptional items	-	-	10.12	-
Profit before tax	106.18	210.41	164.45	210.39
Tax expense	15.49	96.29	6.69	96.29
Profit for the year	90.69	114.12	157.76	114.10
Share of Profit from associate	-	-	(7.93)	(3.63)
Total Profit for the year	**90.69**	**114.12**	**149.83**	**110.47**

2. Highlights of Performance

The total production of Portland Slag Cement ("PSC"), Ordinary Portland Cement ("OPC") Concreel HD and Ground Granulated Blast Furnace Slag ("GGBS") during the year under review was 4.97 MTPA (PSC 2.59 MTPA, OPC 0.19 MTPA, Concreel HD 0.16 MTPA and GGBS 2.03 MTPA) as compared to production of 4.31 MTPA (PSC 2.36 MTPA, OPC 0.12 MTPA, Concreel HD 0.07 MTPA and GGBS 1.76 MTPA) in the previous year, recording significant increase of 15.3% over previous year.

The total sales of PSC, OPC and GGBS during the year under review was 4.93 MTPA (PSC 2.56 MTPA, OPC 0.19 MTPA, Concreel HD 0.15 MTPA and GGBS 2.03 MTPA) as compared to sales of 4.28 MTPA (PSC 2.35 MTPA, OPC 0.12 MTPA, Concreel HD 0.05 MTPA and GGBS 1.76 MTPA) in previous year recording significant increase of 15.2 % over previous year.

3. Transfer to Reserves

No amount is proposed to be transferred to reserves.

4. Dividend

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

5. Economic Outlook

India's economy is on a growth trajectory and is expected to strengthen further and become one of the top three in the world over the next decade. The implementation of GST is expected to boost corporate investments, productivity and growth by creating a single market and reducing the cost of capital. Increase in private investments will further support the plan to recapitalise public banks.

India moved into the top 100 in the World Bank's Ease of Doing Business global rankings in FY 2017 and is the only country to have achieved such a significant shift in a year. The Government has made significant progress towards implementing dynamic business reforms ensuring growth for the economy. Growth in employment opportunities, education avenues, development of the infrastructure and industrial sectors will give further impetus to the economy.

However, the health of the banking sector has not been great with multiple frauds and bad loans coming into fore. This has led to the trimming of growth projections for the next year. Digitising the economy and improving the tax compliance structure are expected to boost tax revenue in the medium term.

6. Cement Industry Outlook and Opportunities

India is the world's second-largest cement market and plays a major role in the economic growth of the nation. Cement is an integral product for the development of other industries and sectors, providing employment to large number of people and contributing directly to the nation's GDP.

The Government of India has a strong focus on developing the infrastructural force of the nation along with making housing available to people across India. This along with projects like Housing for All, Smart cities, etc. will boost the cement output in the near and long term. By 2025, India's cement production capacity is expected to reach 550 million tonnes and industry will grow at 5-6% CAGR until FY 2020. There are multiple attractive opportunities for the sector which will boost demand and help increase investment avenues in the industry. The North-East is a potential market for the cement industry as the region is investing heavily towards infrastructure growth. The industry also has a positive future because there are minimum threats from substitute markets.

In FY 2018, cement consumption is expected to grow by 5.0-5.5% on the back of increased spends on roads and railways, push towards affordable housing by the Central Government and materialisation of pent-up demand.

7. Capital Expenditure and New Projects

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

7.1. Nandyal, Andhra Pradesh

- Installation of hot air duct from Cooler to Slag Mill was completed in July 2017, which utilizes heat available from cooler for drying of slag thereby reducing coal consumption and resulting in increased energy efficiency. In the year 2017-18 total savings of ₹476 lakhs were achieved through this project. This will be a recurring saving every year and will further increase once the complete insulation is done by November 2018.
- Covered shed for coal yard has been completed for 85 square meters in compliance with APCB (Andhra Pradesh Pollution Control Board) and further 85 square meters of shed is planned to be constructed in the year 2018-19.
- Liquid Alternative Fuel feeding System for calciner firing has been completed in April 2018 with the estimated savings of ₹75 lakhs per year in fuel cost. This will be a recurring saving every year.

- Solid Alternative Fuel feeding and co-proce-ssing system is under implementation and expected to be completed by November 2018.
- Mines dewatering system installation is under progress and is expected to be completed by June 2018.
- Green Belt Development has been completed in July 2017.
- 18 MW Captive Power Plant (CPP) is under construction by JSW Energy Limited along with a Solar Power Plant of 5 MW capacity. This would make the plant self-sufficient for power requirement and would help reduce the energy cost and thereby manufacturing cost of cement. This is scheduled for completion in May 2019.

7.2. Vijayanagar, Karnataka

- Brownfield expansion project at Vijayanagar site has been completed and the plant capacity has been increased to 3.2 million MT per annum. This comprised of 2 Units of Roller Presses supplied by KHD, each of 180 TPH capacity. The Company had successfully commissioned one unit of 180 TPH in March, 2017 & Second unit of 180 TPH has been commissioned in October 2017. This has helped the Company increase its market share of Ground Granulated Blast Furnace Slag (GGBS) & Portland Slag Cement (PSC) in the states of Karnataka, Tamil Nadu & Kerala.
- The Company also installed state-of-the-art mechanized wagon loading system, to dispatch its products by Rail. This has been commissioned in July 2017.
- A new railway line has been commissioned to transfer slag from JSW Steel Limited's blast furnace to the cement plant in the month of March 2018, which not only simplifies the logistics but is also environment friendly.
- Engineering work is under progress for launching a new cement product as Portland Composite Cement by October 2018.
- The company is working on feasibility to add another grinding unit for processing old slag from JSW Steel limited.

7.3. Salboni, West Bengal

- A new plant of 2.4 million MT per annum capacity has been installed at Salboni, West Bengal. This would help the company foray into eastern cement market which is growing at the best CAGR amongst all other regions in India. This comprised of 2 Units of Roller Presses supplied by KHD, each of 180 TPH capacity. The Company had successfully commissioned one unit of 180 TPH in September 2017 & second unit of 180 TPH has been commissioned in January 2018.
- The plant is designed for making slag cement based on the imported clinker to cater the market in Odisha, West Bengal, Bihar and Jharkhand.
- The Company has also installed its own railway siding to receive raw materials viz. imported clinker and slag by rail, and also mechanized wagon loading system, to dispatch its products by Rail. This has been commissioned in the month of April 2018.
- Concreel HD silo work is under progress and expected completion is October 2018.
- 18 MW Captive Power Plant (CPP) is under construction by JSW Energy along with a Solar Power Plant of 3.5 MW capacity (500 KW roof mounted and 3 MW ground mounted). This would make the plant self-sufficient for power requirement and also would help reduce the energy cost and thereby manufacturing cost of cement. This is scheduled for completion in June 2019.

7.4. Dolvi, Maharashtra

- The Company is setting up a new 1.2 million MT per annum grinding unit at Dolvi site to enhance production capacity from existing 1.0 million MT per annum to 2.2 million MT per annum. This comprises of 1 Unit of Roller Presses supplied by KHD of 180 TPH capacity. Plant commissioning is under progress and is expected to be commissioned by June 2018. This would allow the Company to strengthen its market in west region.
- The Company also plans to further increase cement capacity by further 1.8 million MT per annum in line with the increased availability of

slag from JSW Steel Limited. For this a Feasibility Report is under progress. Imported clinker from Fujairah will be transported from Jetty to plant via pipe conveyor and cement will be conveyed from plant to jetty and stored in multi-compartment silo for bulk and bag dispatch.

7.5. Shiva Cement, Rourkela, Odisha

- The Company plans to install a new clinkerisation unit of 1.5 million MT per annum to cater to the requirements of Salboni and Jajpur grinding units in order to de-risk against the volatility in the imported clinker prices. Feasibility studies are being done for this project.

7.6. Jajpur, Odisha

- A new grinding plant of 1.2 million MT per annum capacity is being installed at Jajpur, Odisha. This capacity would allow the company to expand and grow its market share in the state of Odisha.
- This comprises of 1 Unit of Roller Presses supplied by KHD, of 180 TPH capacity.
- Construction is under progress and is scheduled for completion by March 2019.

7.7. Fujairah, UAE

- As a part of growth strategy, management has acquired high grade lime stone mines at Fujairah, UAE. Mine Development has started and in the process, excavated material is being crushed and screened using mobile crushing and screening unit. The high grade is being exported while low grade screen rejects, being stacked at site, will be utilized for the production of Clinker.
- Clinkerisation unit of 1.0 million MT per annum has been planned to be set up close to the mines and clinker will be exported to India. Ordering for clinkerisation plant is finalized on EPC basis in May 2018 and expected completion period is 18 Months.
- 16 MW Captive Power Plant (CPP) is also planned to make the plant self-sufficient for power requirement and would help to reduce the energy cost and thereby manufacturing cost of clinker. Ordering for power plant is expected to finalize in June, 2018 and expected completion period is 15 Months.

7.8. New Mines / Auction status

(a) Gujarat:

<u>Mudhvay Sub Block D</u>

- The Company won Mudhvay sub block D in Kutch district, in May 2017 @ 35% of IBM benchmark price.
- Total Geological resource reserve is 125 MT and total area is 107 hectares.
- Letter of Intent (LOI) has been received from Industries and Mines Department, Gandhinagar in June 2017.

(b) Rajasthan:

- The Company won 3B2 Limestone block in Nagaur district in February 2018, @ 60.10% of IBM benchmark price.
- Total Geological resource reserve is 205 MT and total area is 470 hectares.
- Letter of Intent (LOI) has been received from Mines and Petroleum Ministry, Jaipur in April 2018.

8. Holding and Subsidiary Company:

Adarsh Advisory Services Private Limited is the Holding and Shiva Cement Limited is a Subsidiary of the Company. JSW Cement FZE is a Wholly Owned Subsidiary Company incorporated at Fujairah, Free Zone, UAE on 24/11/2016.

9. Internal Controls Systems and Audit:

Internal control

The Company has a proper and adequate system of internal control commensurate with the size and nature of its business. Internal control systems are integral part of JSW Cement's Corporate Governance. Some significant features of internal control system are:

- Adequate documentation of policies, guidelines, authorities and approval procedures covering all the important functions of the Company.
- Deployment of an ERP system which covers most of its operations and is supported by a defined on-line authorisation protocol.
- Ensuring complete compliance with laws, regulations, standards and internal procedures and systems.

- De-risking the Company's assets/resources and protecting them from any loss.
- Ensuring the integrity of the accounting system; the proper and authorised recording and reporting of all transactions.
- Preparation and monitoring of annual budgets for all operating and service functions.
- Ensuring a reliability of all financial and operational information.
- Audit Committee, comprising of Independent Directors and Non-Executive Directors. The Audit committee regularly reviews audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards etc.
- A comprehensive Information Security Policy and continuous updation of IT Systems

The internal control systems and procedures are designed to assist in the identification and management of risks, the procedure-led verification of all compliance as well as an enhanced control consciousness.

Internal audit

The Company has an internal audit function that inculcates global best standards and practices of international majors into the Indian operations. The Company has a strong internal audit department reporting to Audit Committee comprising of majority of Independent Directors who are experts in their field. The Company successfully integrated the COSO framework with its audit process to enhance the quality of its financial reporting, compatible with business ethics, effective controls and governance.

The Company extensively practices delegation of authority across its team, which creates effective checks and balances within the system to arrest all possible gaps within the system. The internal audit team has access to all information in the organisation - this is largely facilitated by ERP implementation across the organisation.

Audit plan and execution

Internal Audit Department has prepared a risk-based Audit Plan. The frequency of audit is decided by risk ratings of areas / functions. The audit plan is carried out by the internal team. The audit plan is reviewed periodically to include areas which have assumed significant importance in line with the emerging industry trend and the aggressive growth of the Company. In addition, the audit committee also places reliance on internal customer feedback and other external events for inclusion of areas into the audit plan.

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. This provides the Directors with reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks. The Company has devised appropriate systems and framework including proper delegation of authority, policies and procedures, effective IT systems aligned to business requirements, risk based internal audits, risk management framework and whistle blower mechanism.

The Company had already developed and implemented a framework for ensuring internal controls over financial reporting. This framework includes entity level policies, process and operating level standard operating procedures.

The entity level policies includes anti-fraud policies (like code of conduct, conflict of interest, confidentiality and whistle blower policy) and other polices (like organization structure, HR policy, IT security policy, treasury policy and business continuity and disaster recovery plan). 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.

During the year, controls were tested and no reportable material weakness in design and effectiveness was observed.

10. Credit Rating:

India Rating and Credit Analysis & Research Limited (CARE) both have rated the Company with A- (A minus) for long term bank facilities and A1 (A One) for short term bank facilities.

11. Fixed Deposit:

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

12. Directors and Key Managerial Personnel:

The Company has a balanced mix of Executive, Non-Executive and Independent Directors. As at March 31, 2018, the Board comprises of 9 Directors of which two are Executive Directors, four are Non-Executive Directors and three are Independent Directors including one Woman Director. All the Directors are persons of eminence and bring a wide range of expertise and experience to the Board, thereby ensuring the best interest of stakeholders and the Company.

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

During the year under review, Mr. Nilesh Narwekar (DIN-06908109) has been appointed as Whole Time Director and CEO with effect from August 8, 2017. In addition, Mr. Narinder Singh Kahlon (DIN-03578016) was appointed as Whole-Time Director of the Company and has been designated as "Director-Finance" w.e.f 8th May, 2018. He shall continue to be Chief Financial Officer of the Company. Hence, Board comprises of ten Directors with w.e.f. 8th May, 2018.

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

The Board met five times during the year under review on April 26, 2017, August 8, 2017, November 6, 2017, January 2, 2017 and January 30, 2018.

13. Share Capital:

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

During the year under review, Adarsh Advisory Services Private Limited had acquired 53,58,40,530 (Fifty Three Crores Fifty Eight Lakhs Fourty Thousand Five Hundred Thirty) equity shares of ₹10/- (Rupees Ten) each through Rights Issue.

The issued, subscribed and paid up share capital of the Company as on March 31, 2018 was ₹9,86,35,22,300/-, comprising of ₹98,63,52,230/-, (Ninety Eight Crores Sixty Three Lakhs Fifty Two Thousand Two Hundred Thirty) Equity shares of ₹10/- (Rupees Ten) each.

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

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

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

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

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

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

17. Disclosure under Employee Stock Option Plan and Scheme:

The shareholders of the Company in their meeting held on March 30, 2016 formulated the JSW Cement Employee Stock Ownership Plan- 2016 ('ESOP Plan') to be implemented through the JSW Cement Employees ESOP Trust ('Trust') with an objective of enabling the company to attract and retain talented human resources by offering them the opportunity to acquire equity interest in the company which will reflect their efforts in building the growth and profitability of the Company.

The JSW Cement Employee Stock Ownership Plan-2016 ('ESOP Plan') 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.

As per the provisions of section 62(1)(b) of the Companies Act, 2013 read with rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 following are the details on Employees Stock Option Scheme during the year under review:

Options granted	56,15,072
Options Vested	Nil
Total number of shares arising as a result of exercise of option	Nil
Options lapsed	8,88,009
Exercise Price	₹68.51
Variation of terms of options	Terms of options are similar for all employees
Money realized by exercise of options	Nil
Total number of options granted to:	
i. Key Managerial Personnel	Mr. Narinder Singh Kahlon - 62,389 Mr. Rahul Dubey - 15,549
ii. Employees granted option during one year equal to or exceeding one percent of issued capital (excluding outstanding warrant and conversions) of the company at the time of grant	Nil

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

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

19. Performance Evaluation of Board and Individual Director

Board Evaluation is a good governance practice. The purpose of the evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board and Committee level by maximizing strengths and tackling weaknesses. A structured questionnaire was prepared covering all aspects of the Board's and Committee's function, independent judgment strategy, performance and risk management; skill, knowledge and familiarity about the company, professional advice, attendance in Board and Committee meeting etc.

Independent Directors play an important role in the governance processes of the Board. Pursuant to the provisions of the Companies Act, 2013, the Independent Director(s) on the Board of the Company shall evaluate the performance of Non-Independent Director(s), and review the performance of the Chairperson. The broad parameters for reviewing the performance are based on structured questionnaires related function of the Board, conflict of interest, participation in discussion, time contribution, governance and ethical problem etc.

Nomination and Remuneration Committee constituted under section 178 of the Companies Act, 2013 has been made responsible for review of self-evaluation of Directors and to carry out evaluation of every Director's performance. The evaluation of individual Director focuses on contribution to the work of the Board and Committees.

The Board believes, the evaluation will lead to a working relationship among the Board members, greater efficiency in the use of the Board's time and increased effectiveness of the Board as governing body.

20. Whistle Blower Policy and Vigil Mechanism:

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

The policy has been framed to provide a mechanism for the employees of the Company to freely communicate their concern about unethical behavior and actual or suspected fraud to the Vigilance and Ethics Officer and/or CEO and/or Chairman of Audit Committee. The policy provides for adequate safeguards against victimization or unfair treatment of employees who avail the vigil mechanism.

21. Corporate Social Responsibility (CSR) Policy:

Pursuant to the section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has adopted the CSR Policy. As per the policy, the Company is to focus interalia on the complete life cycle approach where women shall be empowered in such a way that they become strong positive force of change. Specific interventions recommended are as below:

a) Efficient maternal and child health care services;

b) Enhance access to improved nutrition services;

c) Early childhood education/ pre-primary education;

d) Completion of primary and secondary education;

e) Access to adolescent reproductive and sexual health and rights;

f) Enhancing the output of present occupation;

g) Employability and vocational education;

h) Responsible parenthood

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 be expanded beyond this geographical preview and up-scaled, defined as Indirect Influence Zone (IIZ). CSR Activities/ Initiatives under taken by the Company pursuant to provisions of the Companies Act, 2013 is given in **"Annexure-A"** to this report.

22. Company's Policy on Appointment and Remuneration:

The Company has framed a Nomination policy for appointment of the Directors, Key Managerial Personnel (KMP) and Senior Management and a Remuneration policy to decide their remuneration.

Nomination Policy:

The primary objective of the Nomination Policy is to provide a frame work and set standards that are consistent with the provisions of sections 149, 178 and other applicable provisions of the Companies Act, 2013 for the appointment of persons to serve as Director on the Board of the Company and for the appointment of the KMP / Senior Management of the Company, who have the capacity and ability to lead the Company towards achieving sustainable development.

While recommending the candidate for appointment, the Nomination and Remuneration Committee shall assess the candidate against a range of criteria, i.e. qualification, experience, age, 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.

Remuneration Policy:

In terms of Section 178 of the Companies Act, 2013, as amended from time to time, the Nomination and Remuneration committee shall recommend to the Board a policy relating to Remuneration of Directors, Key Managerial Personnel and other Employees with following broad objectives:

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.

The Executive Directors' (EDs) compensation is based on the appraisal system where their individual goals are linked to the organization goal. EDs are paid compensation subject to approval of the Board and of the members of the Company in General Meeting and such other approval as the case may be.

The Non-Executive Directors are paid remuneration by way of sitting fees.

23. Auditors:

23.1 Statutory Auditors:

M/s Shah Gupta & Co., Chartered Accountants, Mumbai, Statutory Auditors of the Company are due to retire at the conclusion of the ensuing Annual General Meeting.

M/s HPVS & Associates, Chartered Accountants, Mumbai will be appointed as Statutory Auditors for the period of five years in forthcoming Annual General Meeting.

23.2 Cost Auditors:

Pursuant to section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company is required to get cost accounting records audited by a Cost Auditor.

Accordingly, the Board at its meeting held on 26th April 2017 has on the recommendation of the Audit Committee, re-appointed M/s R. Nanabhoy & Co., Cost Accountants as Cost Auditors to conduct the audit of the cost accounting records of the Company for the financial year 2017-18. The remuneration proposed to be paid to the Cost Auditor requires ratification of the shareholders of the Company at the ensuing Annual General Meeting.

The Cost Audit Report for the financial year 20116-17, on audit of cost accounting records by the Cost Auditor, was filed on September 5, 2017.

23.3 Secretarial Auditor:

Pursuant to section 204 of the Companies Act, 2013 and rules made there under, the Board had appointed M/s. S. K. Jain & Co., Practicing Company Secretary as Secretarial Auditor to issue Secretarial Audit Report for the financial year 2017-18. The Secretarial Audit Report issued by Secretarial Auditor in Form MR-3 for the financial year 2017-18 forms part of this report and marked as **"Annexure-B".**

24. Related Party Transactions:

All the Related Party Transactions that were entered into 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. During the year under review, the Audit Committee has granted omnibus approval for the Related Party Transactions. However, the Related Party Transactions which exceed the limits of the omnibus approval were placed before the Audit Committee for review and approval on quarterly basis and subsequently before the Board for noting.

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

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

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

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

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the notes to financial statements.

During the year under review, the Company has passed special resolution in Extra-Ordinary General Meeting dated January 27, 2018 wherein the Board has been authorized to (a) give any loan to any body corporate(s) / person (s); (b) give any guarantee or provide security in connection with a loan to any body corporate(s)/person(s); and (c) acquire by way of subscription, purchase or otherwise, securities of any body corporate for an amount not exceeding ₹3000 crores (Rupees Three thousand crores) outstanding at any point of time.

27. 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, 2018 and the date of the report.

28. Significant and Material Orders passed by the Regulators:

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

29. Extract of Annual Return:

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

30. Risk Management and Areas of Concern:

The Board of Directors of the Company have framed a Risk Management Policy to identify and evaluate business risk and opportunities and mechanism to manage and mitigate risk to protect its stakeholder's interest. The overall objective of the policy is to create awareness among the employees to assess risk on continuous basis and to develop risk mitigation plans in the interest of the Company. The details of the key risk areas have been explained in Management Discussion and Analysis Report.

31. Awards and Recognition

The Company has received awards and accolades from the Government and Non-Governmental Organizations/ Associations. The details of such awards & accolades are as under:-

a) **GreenCo Gold Award,** 2017 was given in April 2017 by Confederation of Indian Industry (CII), Hyderabad for the Green Co Rating System for Environment Protection.

b) **Genentech Gold Award**, 2017 was given by Genentech Foundation, New Delhi for outstanding performance of the Company in Safety Management during the year 2017.

c) **GreenPro Certification** for Ground Granulated Blast Furnace Slag (GGBS) product was given in October, 2017 by Confederation of Indian Industries (CII) in the *"Conference on Green Products, Materials & Technologies'* held at the Green Building Congress, Jaipur, Rajasthan.

32. Human Resource:

JSW Cement is one of the fastest growing Cement company in the Country and this phenomenal growth is well supported by the employees in the organization. To support the aggressive growth plans of the company, the HR function focused primarily on building strong teams across various functions and geographies. In the midst of all challenges, the organization hired talent in a big way. Some of the key achievements include hiring of key senior resources in manufacturing and sales division, hiring of graduate engineer trainees (GET) for new manufacturing facilities. As a result of massive hiring the employee base rose by ~ 30% over last year and the year-end headcount stood at 1043.

The strong employee base is committed to excel in their respective domains and also engaged in process improvement, innovation & creativity and cost management. The team is also actively contributing towards sports and CSR activities at manufacturing locations. In order to nurture the talent, the organization initiated the following HR interventions.

Capability Development

This programme is aimed towards building a strong sales and marketing organization to cater to future business needs. Through this programme each and every employee in the sales and marketing divisions will undergo a development journey that is spread over 18 months.

Employee Engagement

The Human Resource function over the last few years have been relentlessly working on making the Company the best place to work for employees. In its pursuit of doing so, several initiatives are undertaken at regular frequency across various locations. Some of these initiatives includes employee get-to gather, family day celebration, sports day, town hall meetings, cross functional interaction and interaction with senior leadership team.

The Company is constantly working towards creating an inclusive workplace that can engage seamlessly with the new age and diverse workforce situated across various locations. An important component of this initiative is managing the outsourced manpower in a fair manner as well adhering to all the necessary statutory compliances.

33. 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. Presently, the Company is conducting various internal and external training programs like tool box talk, firefighting awareness class, implementation of 5S technique for improvement in housekeeping & safety, strengthening of LOTO (Lock out and Tag out) system by providing lock & tags, mock drill on medical emergency, gate meeting, etc. 47th National safety week celebrated with various programmes to improve the safety awareness.

The number of days worked without lost time incident are as under:

a. Nandyal- 2608 days

b. Vijayanagar- 152 days

c. Dolvi - 2988 days.

d. Salboni - 424 days

34. Directors' Responsibility Statement:

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

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

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

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 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; and

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

35. Particulars of Employees:

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

36. Conservation of Energy, Technology Absorption and Innovation:

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

37. Foreign Exchange Earnings and Outgo:

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

38. Appreciation:

The Directors take this opportunity to express their deep sense of gratitude to the Banks, Central and State Governments and their departments and the local authorities for their continued guidance and support.

We would also like to place on record our sincere appreciation for the commitment, dedication and hardwork put in by every member of the JSW Cement family.

For and on behalf of the Board
JSW Cement Limited

Nirmal Kumar Jain
Chairman
(DIN - 00019442)

Date: 8th May 2018
Place : Mumbai

Annexure-A

Report on CSR Activities/Initiatives

[Pursuant to Section 135 of the Companies Act, 2013 & Rules made thereunder]

1. A brief outline of the Company's CSR Policy, including overview of the projects or programmes undertaken.

The brief outline of the CSR policy has been mentioned elsewhere in the report. The Company has spent ₹326.02 lakhs on various CSR initiatives during FY 2017-18. CSR initiatives undertaken by the Company are as under:

a) **Improving Living Conditions**: The Company has incurred ₹101.61 lakhs for improving the living conditions of inhabitants around the plant and the details of activities undertaken are as under:

- 367 mobile health camps were conducted and special health camps for, hypertension & diabetic, dental, chest, nephrology, ophthalmic and blood donation camp for donation of 109 units of blood, covering 40 villages and 34,994 villagers who were benefitted.
- 35 students were supported in completing paramedical courses.
- Health Services were provided to 10,500 villagers through static clinic.
- Lab technicians and Staff nurses were engaged for strengthening of mother & child health care at Primary Health Centre, Gadivemula wherein 15,000 women & children were the beneficiaries.
- HIV/AIDS prevention program was implemented among the truckers in association with Bhoruka Charitable Trust wherein 11,414 people were the beneficiaries.
- Anti-Malaria fogging and awareness campaigns on personal hygiene, sanitation were conducted in Direct Influence Zone (DIZ) villages. 8,000 villagers were the beneficiaries of the aforesaid.
- Maintenance of RO water plants to provide safe drinking water to the population of Bilakalagudur and Bujunur which is approximately 5000 & 3000 respectively.

b) **Promoting Social Development:** The Company has incurred ₹110.11 lakhs for promoting social development and the activities undertaken are as under:

- Tuition services were provided in order to support 80 students who are pursing secondary education.
- Modular kitchens were provided to Government schools in order to ensure kitchen hygiene & to ensure that the food is cooked in hygienic environment where in 1959 students were benefitted.
- Renovation of class rooms were done in school for disabled children.
- To encourage girl child education, the Company provided 32 bicycles to girls pursuing secondary education.
- Renewed the license & maintenance of 20 digital classrooms in 13 government schools in DIZ villages to improve the quality of the education of the students and to build strong conceptual understanding in the students.
- Three computer aided learning centers are being operated to impart computer education and tutors have been engaged to teach social studies & urdu language in the Government High School.
- Scholarships were provided to 79 merit students from four high schools & primary schools for promoting secondary education and to reduce dropout rate in upper primary & primary sections.
- Uniforms & Notebooks were distributed to primary & upper primary students along with study material to 10th & intermediate students. Approximately 764 students were the beneficiaries.
- Anemia & Dental screening camp was organized at government schools. Medicine & dental kits were distributed to students and awareness

was created on anemia & its associate factors, prevention & control of anemia and awareness on oral hygiene wherein total 2,000 students were benefitted.

- Sanitary napkins were given to 466 girl students studying in standard 7th to 10th in order to promote menstrual hygiene and along with that incinerators were installed in schools for safe disposal of sanitary napkins.
- Awareness was created in rural women about personal/menstrual hygiene by providing sanitary napkins to 603 women every month.
- Tailoring skills were imparted in rural women uplifting their economic status wherein 83 women are availing training on stitching of clothes, saree painting, wire works and mirror works.
- Training Center has been established on making jute diversified products to support & encourage eco-friendly products wherein 30 women have been undergoing the training.

c) **Addressing Environmental issues:** The Company has incurred ₹1.93 lakhs for addressing social inequalities and the activities undertaken are as under:

- Saplings (1230 no.) were planted in DIZ villages
- Solar Street Lights were maintained in DIZ villages (57 no.)

d) **Rural Development:** The Company has incurred ₹19.98 lakhs for rural development and the activities undertaken are as under:

- Laid field approach & internal roads at Bilakalagudur wherein 5,000 people were benefitted.

e) **Swachh Bharath Mission:** The Company has incurred ₹76.34 lakhs for Swachh Bharath Mission and the activities undertaken are as under:

- Bilakalagudur and Bujunur Gram Panchayats (DIZ Villages) were made "Open Defecation Free" by constructing 700 individual household toilets (400 in FY 16-17 and 300 in FY 17-18) in association with Government Rural Water Supply & Sanitation (RWS) Department of Andhra Pradesh.
- Swachh Village Program was conducted with the participation of employees i.e. cleaning streets, removing roadside bushes & dirt.

f) Expenditure incurred towards other administrative and capacity building expense was ₹16.05 lakhs.

2. The composition of the CSR Committee:

Presently, the CSR Committee comprises of 5 Directors: Mr. Kantilal Narandas Patel - Chairman, Mr. Jugal Kishore Tandon - Member, Mr. Nirmal Kumar Jain- Member, Mr. Biswadip Gupta- Member and Ms. Sutapa Banerjee - Member.

3. Average Net Profit of the Company for last 3 Financial Years: ₹104.07 crores

4. Prescribed CSR expenditure (2% of amount): Total CSR expenses ₹350 lakhs (₹208 lakhs pursuant to the Companies Act, 2013 & ₹142 lakhs voluntary proposed)

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

a) Total amount spent for the financial year: ₹326.02 lakhs (₹208 lakhs pursuant to the Companies Act 2013 & ₹94.04 lakhs from voluntary proposed)

b) Amount un-spent, if any: Nil (₹23.98 lakhs un-spent from voluntary proposed amount)

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

(₹ lakhs)

1	2	3	4	5	6	7	8
Sr. No.	**CSR project/ activity identified**	**Sector in which the Project is covered**	**Projects / Programmes** **1. Local area/others-** **2. specify the state/ district** **(Name of the District/s, State/s where project/ programme was undertaken**	**Amount outlay (budget) project/ programme wise**	**Amount spent on the project/ programme <u>Sub-heads:</u>** **1. Direct expenditure on project/ programme,** **2. Overheads**	**Cumulative spend upto to the reporting period**	**Amount spent: Direct/ through implementing agency***
1	Improving Living Conditions	Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making availability of safe drinking water.	Village-Bilakalaguduru, Bujunur and Gadvimulla District-Kurnool, Andhra Pradesh Villages- Asnasuli, Dhnyasole, Baskopna, Sitanathpur, Salgaria, Barju, Kashijora, Chandankath and Pathrajuri. District-Paschim Medinipur, West Bengal	101.61	Direct Expenses-309.97	101.61	Direct/ implementing agency
2	Promoting Social Development	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Village-Bilakalaguduru, Bujunur and Gadvimulla District-Kurnool, Andhra Pradesh. Villages- Asnasuli, Dhnyasole, Baskopna, Sitanathpur, Salgaria, Barju, Kashijora, Chandankath and Pathrajuri. District-Paschim Medinipur, West Bengal	110.11		211.72	Direct/ implementing agency

(₹ lakhs)

1	2	3	4	5	6	7	8
Sr. No.	**CSR project/ activity identified**	**Sector in which the Project is covered**	**Projects / Programmes 1. Local area/others- 2. specify the state/ district (Name of the District/s, State/s where project/ programme was undertaken**	**Amount outlay (budget) project/ programme wise**	**Amount spent on the project/ programme Sub-heads: 1. Direct expenditure on project/ programme, 2. Overheads**	**Cumulative spend upto to the reporting period**	**Amount spent: Direct/ through implementing agency***
3	Addressing Environmental Issues	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Village-Bilakalaguduru and Bujunur and Gadvimulla District-Kurnool, Andhra Pradesh	1.93		213.65	Direct/ implementing agency
4	Rural Development	Rural development projects	Village-Bilakalaguduru, District-Kurnool, Andhra Pradesh	19.98	Overheads 16.05	233.63	Direct/ implementing agency
	Swachcha Bharat Abhiyan	Sanitation	Village-Bilakalaguduru and Bujunur and Gadvimulla District-Kurnool, Andhra Pradesh	76.34		309.97	Direct/ implementing agency
5	Administration & Capacity Building Expenses	Administration & Capacity Building Expenses	-	16.05			326.02 Direct

For and on behalf of the Board
JSW Cement Limited

Nirmal Kumar Jain
Chairman
(DIN-00019442)

Kantilal Narandas Patel
Chairman - CSR
(DIN-0075144)

Date : 8th May 2018
Place : Mumbai

Annexure-B

Secretarial Audit Report

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

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2018

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

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

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period **1st April 2017 to 31st March 2018** ("the reporting period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **JSW CEMENT LIMITED** ("the Company") as given in **Annexure I**, for the period 1st April 2017 to 31st March 2018 according to the provisions of:

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

    (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; **(This Act is not applicable as the Company has not issued any marketable Securities)**

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

    (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment; (The Company has not availed any Foreign Direct Investment and External Commercial Borrowings During the Period under review.) The Company has incorporated JSW Cement FZE in Fujairah, UAE on 24/11/2016 as its Wholly Owned Subsidiary. The Company has made Overseas Direct Investment in its Wholly Owned Subsidiary. The Company had remitted AED 81,39,813 through Authorised Dealer to its said wholly owned subsidiary as on 31st March 2018 (AED 24,89,250 during the year under review). The said wholly owned subsidiary has issued Share Certificates of 54,265 Equity Shares of AED 150 each aggregating to AED 81,39,750 which have been received by the Company. The Company has complied with Foreign Exchange Management (Transfer or Issue of any Foreign Security) (Amendment) Regula-tions, 2004 vide Notification No. FEMA.120/RB-2004 dated 07/07/2004.

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

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

    ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **(Not Applicable since it is an Unlisted Public Company)**

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

    iv. The Securities and Exchange Board of India

(Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

v. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable since the Company has not issued securities which is listed on any Stock Exchanges)**

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

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

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

ix. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; **(Not Applicable since the Company has not Buy Back any securities from any Stock Exchanges)**

II Other laws specifically applicable to the Company are:

a) The Mines Act, 1952;

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

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

d) The Explosives Act, 1884;

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

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

IV In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Value Added Tax, Excise & Custom Acts and Goods and Service Act, I have relied on the Reports given by the Statutory Auditors of the Company.

I have also examined Compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

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

I further report that:

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

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

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

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

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

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

- During the year, Mr. Narinder Singh Kahlon was appointed as Director of JSW Cement FZE with effect from the 26th April 2017 after the resignation of Mr. Anil Kumar Pillai. Further, on 08 August 2017, Mr. Narinder Singh Kahlon has resigned and Mr. Nilesh Narwekar was appointed as Director.

- The Board of Directors in its meeting held on 26th April 2017 authorized Mr. Manoj Rustagi, Vice President - Projects and Mr. Narinder Singh Kahlon CFO, to furnish undertakings, whenever required, to various Government Authorities, Statutory Bodies and Regulatory Bodies for activities related to setting-up

Grinding/Cement Unit and carry out the business in different states within the territories of India.

- The Board of Directors in its meeting held on 08th August 2017 had appointed Mr. Nilesh Narwekar (Din-06908109) as an Additional Director, under section 161 and any other applicable provisions of the Companies Act, 2013 with effect from 08th August 2017 and who holds office up to the date of ensuing Annual General Meeting.
- The Board of Directors in its Meeting held on 8th August 2017 had appointed Mr. Nilesh Narwekar (Din-06908109), Whole Time Director & CEO under section 2(54), 196, 197, 198, 203 read with Schedule V and Rule made thereunder including all other applicable provisions, if any, of the Companies Act, 2013.
- The Board of Directors in its Meeting held on 6th November 2017, proposed Right Issue of 67,57,67,550 (Sixty Seven Crores Fifty Seven Lakhs Sixty SEven Thousand Five Hundred Fifty) Equity Shares of face value of ₹10/- (Rupees Ten) each (at par) under section 62(1)(a) of the Companies Act, 2013, in the proportion of 3 (Three) Equity Shares of ₹10/- (Rupees Ten) each (at par) against 2 (Two) Equity Shares of ₹10/- (Rupees Ten) each (at par) held by the existing shareholders with right of Renunciation. Right Issue opened on 15th November, 2017 and closed on 7th December, 2017 and 53,58,40,530 (Fifty Three Crores Fifty Eight Lakhs Fourty Thousand Five Hundred Thirty) Equity Shares were subscribed and allotted to Adarsh Advisory Services Private Limited on 7th December, 2017.

The members of the Company at its Annual General Meeting held on September 25, 2017 had passed Special Resolutions for the following

- Approved appointment and remuneration of Mr. Nilesh Narwekar (Din-06908109) as Whole Time Director & CEO under section 2(54), 196, 197, 198, 203 read with Schedule V and Rule made thereunder including all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), for a period of 3 (Three) years w.e.f. 8th August 2017 to 7th August 2020.
- To grant of Inter-Corporate Loan to Shiva Cement Limited for the amount not exceeding ₹150,00,00,000/- (Rupees One Hundred Fifty Crores).
- The members of the Company accorded to pledge 1,05,00,000 equity shares of Shiva Cement Limited held by the Company in favour of IDBI Bank Limited in order to secure repayment of sanction facilities of aggregating ₹22 crores were given to Shiva Cement Limited.

The Members of the Company at Extra-Ordinary General Meeting held on 30th May 2017 have passed the following resolution:

- Approval of amended JSWCL Employees Stock Ownership Plan - 2016
- Approval pursuant to rule 12(4)(b) of the Companies (Share Capital and Debentures) Rule, 2014, Grant of options to employees during any one equal to or exceeding one percent of issued capital of the Company at the time of grant of options

The Members of the Company at Extra-Ordinary General Meeting held on 9th November 2017 have passed the following Resolution

- Reclassified Capital Clause of Memorandum of Association of the Company from ₹1500,00,00,000/- (Rupees One Thousand Five Hundred Crores) divided into 100,00,00,000 (One Hundred Crores) Equity Shares of ₹10/- (Rupee Ten) each and 5,00,00,000/- (Five Crores) Preference Shares of ₹100 each (Rupees Hundred) to ₹1500,00,00,000/- (Rupees One Thousand Five Hundred Crores) divided into 125,00,00,000 (One Hundred and Twenty Five Crores) Equity Shares of ₹10/- (Ten Rupee Only) each and 2,50,00,000 (Two Crores Fifty Lakhs) Preference Shares of Rs. 100/- each and consequently existing clause V (a) of Memorandum of Association of the Company has been amended.

  The Members of the Company at Extra-Ordinary General Meeting held on 27th January 2018 had passed the resolution as under:

- Approval of Inter Corporate Loan for the amount not exceeding ₹3000 (Rupees Three Thousand Crores Only) pursuant to Section 186 of the Companies Act, 2013

For S. K. Jain & Co

Dr. S. K. Jain
Practicing Company Secretary
FCS No.:1473
C P No.: 3076

Date : 30th April 2018
Place : Mumbai

ANNEXURE - I

1. Memorandum & Articles of Association of the Company
2. Annual Report for the Financial Year ended 31st March, 2017
3. Minutes of the Meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Executive Committee, ESOP Committee, Finance Committee, Risk Committee, Project Review Committee along with Attendance register held during the Financial Year under report.
4. Minutes of General Body Meetings held during the Financial Year under report.
5. All Statutory Registers
6. Agenda papers submitted to all the Directors / Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of section 184 of the Companies Act, 2013.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under Report.

ANNEXURE - II

List of applicable laws to the Company

i. The Factories Act, 1948
ii. The Industrials Disputes Act, 1947
iii. The Payment of Bonus Act, 1965
iv. The Payment of Gratuity Act, 1972
v. The Minimum Wages Act, 1948
vi. The Payment of Wages Act, 1936
vii. The Sexual Harassment Act, 2013
viii. The Maternity Benefits Act, 1961
ix. The Industrial Employment (Standing Orders) Act, 1946
x. The Employees Provident Fund and Miscellaneous Provisions Act, 1952
xi. The Contract Labour (Regulation and Abolition) Act, 1970
xii. The Workmen's Compensation Act, 1923
xiii. The Equal Remuneration Act, 1976
xiv. The Air (Prevention and Control of Pollution) Act, 1981
xv. The Water (Prevention and Control of Pollution) Act, 1974
xvi. The Water (Cess Act), 1977
xvii. The Environment (Protection) Act, 1986
xviii. The Standard of Weights and Measure Enforcement Act, 1985
xix. The Bureau of Indian Standard Act, 1986
xx. The Karnataka Welfare Fund Act, 1965
xxi. The Professional Tax Act, 1975
xxii. The Hazardous Waste (Management and Handling) Rules, 1989
xxiii. The Manufacture, Storage and Import of Hazardous Chemicals Rules; 1989
xxiv. The Gas Cylinder Rules, 1981

ANNEXURE - III

Registered & Corporate Office

JSW Centre, Bandra Kurla Complex, Bandra (East),
Mumbai - 400051

Mills:

Vijayanagar Works:

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

Nandyal Works:

Village Bilakalaguduru, Gadivemula Mandal,

Nandyal, Dist. Kurnool Andhra Pradesh-518501

Dolvi Works:

Unit 1

Survey No. 96/1, 96/2, 97/0

Village KharKaravi, Dolvi, Taluka-Pen,

District-Raigad, Maharashtra- 402107

Unit 2

Survey No. 107/B, 109, 114-118

Village KharKaravi, Dolvi, Taluka-Pen,

District- Raigad, Maharashtra- 402107

Salboni Works

Ankur Complex, Vill- Jambedia,

Po- Sayedpur (Viya Salboni), PS- Salboni,

District- Paschim Medinipur, West Bengal - 721147.

Annexure C

Form No. AOC-2

(Pursuant to section 134 (3)(h) of the Companies Act 2013 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 section 188 (1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis- Not Applicable**
2. **Details of material contracts or arrangement or transactions at arm's length basis- For details of transactions during the year refer note 27(i) of the financial statements. The materials transactions are as under:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
JSW Steel Ltd. Promoter Group Company	Purchase of Slag, LD Slag, Coal Fine, Steam Coal, Fly Ash, Flue Dust, TMT/Plate Corex Sludge	5 years to 15 years	Quantity purchased based on the requirement of the company throughout the year and as per quality specification mention in the agreement. The price shall be fixed mutually based on price nearer to the areas where product being purchased. The prices are exclusive of all taxes, duties and levies.	Approved in Audit Committee meeting and noted on Board Meeting	-
	Payment of lease license agreement	3 to 29 years depending upon the agreements for different places	Rent payable as per the agreements	-	-
	Reimbursement of expenses	Based on transactions	Reimbursement on actual basis	-	-
	Sale of Cement (Clinker & PSC)	1-3 Months	Quantity sold as per monthly/quarterly requirement based on prevailing market price.	Not Applicable	-

For and on behalf of the Board

JSW Cement Limited

Nirmal Kumar Jain
Chairman
(DIN-00019442)

Jugal Kishore Tandon
Chairman - Audit Committee
(DIN-01282681)

Date : 8th May 2018
Place : Mumbai

Annexure D

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As at Financial Year ended on 31st March 2018

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

I. REGISTRATION & OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Cement	3743000	79
2	Ground Granulated Blast Furnace Slag (GGBS)	3743000	21

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding, Subsidiary and Associate Companies	% of shares held	Applicable Section
1	Adarsh Advisory Services Pvt. Ltd. JSW Centre, Bandra Kurla Complex, Bandra (East), Opp. MMRDA Ground, Mumbai, Maharashtra	U74140MH2014 PTC251934	Holding Company	90.54	2

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31st March 2017]				No. of Shares held at the end of the year [As on 31st March 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's	-	-	-	-	-	-	-	-	-
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	450,511,200	500	450,511,700	100	986,351,730	500	986,352,230	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	450,511,200	500	450,511,700	100	986,351,730	500	986,352,230	100	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii)Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c)Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies-D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**450,511,200**	**500**	**450,511,700**	**100**	**986,351,730**	**500**	**986,352,230**	**100**	**-**

B) Shareholding of Promoter

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Adarsh Advisory Services Pvt. Ltd.	357,227,020	79.29	-	893,067,550	90.54	-	11.25
2	JSW Investments Pvt. Ltd.	41,589,726	9.23	-	41,589,726	4.22	-	-5.01
3	Danta Enterprises Pvt. Ltd	26,000,000	5.78	-	26,000,000	2.09	-	-3.68
4	Glebe Trading Pvt. Ltd.	20,642,340	4.58	-	20,642,340	2.64	-	-2.64
5	JSL Limited	5,052,114	1.12	-	5,052,114	0.51	-	-0.61
6	Mr. Seshagiri Rao*	100	0.00	-	-	--	-	--
7	Mr. K N Patel*	100	0.00	-	-	-	-	-
8	Mr. P K Kedia*	100	0.00	-	-	-	-	-
9	Mr. Jayant Acharya*	100	0.00	-	-	-	-	-
10	Mr. Balwant Ranka*	100	0.00	-	-	-	-	-
	Total	**450,511,700**	**100**		**986,352,230**	**100**	**-**	**-**

* Nominee Shareholders of JSW Investment Private Limited

C) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date wise Increase/Decrease in shareholding during the year			
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	Date	Transfer	Allotment	No of shares at the end of year
1	Adarsh Advisory Services Pvt. Ltd.	357,227,020	79.29	-	-	07-12-2017	-	535,840,530	893,067,550
2	JSW Investments Pvt. Ltd.*	41,590,226	9.23	398,817,246	88.52	No Change			
3	Danta Enterprises Pvt. Ltd	26,000,000	5.77	424,817,246	94.29	No Change			
4	Glebe Trading Pvt. Ltd.	20,642,340	4.58	445,459,586	98.88	No Change			
5	JSL Limited	5,052,114	1.12	450,511,700	100	No Change			

*including Nominee Shareholding

D) **Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

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

E) **Shareholding of Directors and Key Managerial Personnel:**

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

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ crores)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,773.94	205.02	-	1,978.96
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.59	-	-	2.59
Total (i+ii+iii)	**1,776.53**	**205.02**	**-**	**1,981.55**
Change in Indebtedness during the financial year				
* Addition	458.38	135.25	-	593.63
* Reduction	(211.11)	-	-	(211.11)
Net Change	247.27	135.25	-	382.53
Indebtedness at the end of the financial year				
i) Principal Amount	2,023.27	340.27	-	2,363.55
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.53	-	-	0.53
Total (i+ii+iii)	**2,023.80**	**340.27**	**-**	**2,364.08**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Parth Jindal (Managing Director)	Mr. Nilesh Narwekar (Whole Time Director & CEO)	
1	Gross salary (₹) (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	18,510,681	11,869,564	30,380,245
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	16,662,117	-	16,662,117
5	Others, please specify	-	-	-
	Total (A)	**35,172,798**	**11,869,564**	**47,042,362**

Ceiling as per the Act (with approval of shareholders) 10% of Net Profit - ₹9.1 crores

B. Remuneration to other directors

(₹)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Jugal Kishore Tandon	Mr. Jaiprakash Narain Lal	Ms. Sutapa Banerjee		
1	Independent Directors					
	Fee for attending board committee meetings	1,500,000	900,000	800,000	-	3,200,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	**1,500,000**	**900,000**	**800,000**	**-**	**3,200,000**
2	Other Non-Executive Directors	Mr. Nirmal Kumar Jain	Mr. Kantilal Narandas Patel	Mr. Pankaj Kulkarni	Mr. Biswadip Gupta	
	Fee for attending board committee meetings	1,400,000	-	1,050,000	-	2,450,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	1,400,000	-	1,050,000	-	2,450,000
	Total (B)=(1+2)	2,900,000	900,000	1,850,000		5,650,000
	Total Managerial Remuneration	**-**	**-**	**-**	**-**	**47,042,362**

Overall Ceiling as per the Act (11% of Net Profit) - ₹9.98 crores

C. **Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,349,283	9,515,982	11,865,265
	(b) Value of pe rquisites u/s 17(2) Income-tax Act, 1961	-	7,559,740*	7,559,740*
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	**2,349,283**	**17,075,722**	**19,425,005**

* ₹7,551,196 pertains to value of Stock options of JSW Infrastructure Limited.

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: There were no penalties / punishment / compounding of offences during the year ended 31st March 2018.

Annexure E

Section 197 of the Companies Act, 2013

a) Employed throughout the financial year and in receipt of remuneration aggregating (₹) 60.00 lakhs or more per annum.

Sr. No.	Name	Designation	Remuneration (₹ lakhs) P.A.	Qualification	Total Experience (No.of years)	Age (years)	Date of commence ment of employment	Previous employ ment (Designation)
1	Mr. Parth Jindal	Managing Director	351.73	MBA-Harvard Business School	5	27	20th June 2016	JSW Steel Limited
2	Mr. Narinder Singh Kahlon	Vice President	95.25	Chartered Accountant	24	51	1st June 2014	JSW Infrastructure Limited
3	Mr. Lopamudra Sengupta	Vice President-Tech.Services	75.28	BE-Civil Eng.	24	48	4th February 2016	Lafarge Cement - (Business Head)
4	Mr. Manoj Rustagi	Vice President-Projects	74.15	PGDBA, BE	25	47	1st October 2016	JSW Steel Limited
5	Mr. B. K. Tripathy	Associate Vice President	62.18	MBA, BSc.	22	47	1st April 2017	JSW Steel Limited
6	Mr. Vananil Tiwari	General Manager	64.47	ICWAI, B.Com.	21	42	1st April 2017	JSW Steel Limited

b) Employed for part of the financial year and in receipt of remuneration aggregating ₹5 lakhs or more per month

Sr. No.	Name	Designation	Remune-ration (₹ lakhs) P.M.	Qualification	Total Experience (No.of years)	Age (years)	Date of commencement of employment	Previous employment (Designation)
1	Mr. Nilesh Narwekar	Whole-Time Director & Chief Executive Officer	20.59	B.Tech. (Electr. & Commn), MBA	25	47	17th July 2017	PWC
2	Mr. Pankaj Kumar Sharma	Senior Vice President	12.35	B.E.(Mech)	18	41	22nd December 2017	Century Textiles & Industries Ltd
3	Mr. Hitendra Jariwala	Senior Vice President	10.70	MBA, BSc (Engg)	29	53	22nd March 2018	Chettinad Cement Ltd
4	Mr. G. Veera Babu	Senior Vice President	10.71	BE	32	57	2nd August 2017	Dangote Cement PLC
5	Mr. Surjayan Mukherjee	Vice President	8.32	BE	22	47	9th May 2017	Nuvoco Vistas Corp Ltd.
6	Mr. Sanjay Shankarrao Jadhav	Vice President	6.39	BE	37	55	1st June 2017	JSW Steel Ltd
7	Mr. Kunal Mukherjee	General Manager	6.18	MBA, CA	11	37	1st December 2017	HSBC BANK PLC
8	Mr. Raju Ramchandran	Vice President	5.76	BE	25	48	22nd May 2017	Nuvoco Ltd.,
9	Mr. Ashish Maheshbha Modh	Vice President	5.68	BE (Computer Engg.), MBA	22	50	16th February 2018	ACC Cement Ltd
10	Mr. Pushpraj Singh*	Senior Vice President	11.63	MBA (Marketing	22	47	29th June 2015	Prism Cement Ltd
11	Mr. Sandeep Sandhu*	Vice President	6.92	MBA (Marketing	32	56	6th August 2010	Andhra Cement Ltd.
12	Mr. Rahul Akkara*	Vice President	6.67	PGDM (Mktg)	20	44	2nd June 2014	Pidilite Industries Ltd.
13	Mr. G. N. B. RAO*	Associate Vice President	5.20	MSc	30	49	1st February 2015	Heidelberg Cement Ltd.

* Resigned from the Company.

Notes:

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

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

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

Annexure F

Energy Conservation

A. VIJAYANAGAR

a. Use of waste sludge oil (waste oil produced in JSW Steel) for firing in hot air generator resulting in reduction of coal consumption.

b. Use of slag as replacement of sand in various civil works in plant. Currently being used in all the Civil works.

c. 48 No. of packer spout motors converted from Delta to Star connection to reduce power consumption.

d. With optimized running of Roller Press power consumption got reduced from 40.46 units to 32.16 units.

e. RP (GGBS) power consumption got reduced from 45.27 units (April, 2017) to 33.94 units (April 2018).

f. RP (OPC) power consumption got reduced from 44.30 units (April 2017) to 32.09 units (April 2018).

B. NANDYAL

a. Replacement of 1100 no. 70W Metal Halide lamps with 32W LED fittings to achieve energy savings.

b. By installation of Hot Air Duct in FY-18, Kiln cooler heat exchangers-24 nos stoppage and bag house fan running at reduced RPM giving us a power saving and a cost reduction of ₹21 /MT. Also there is a reduction in coal consumption in GGBS by 5 kgs per MT giving us a saving of ₹45/MT of GGBS.

c. To reduce coal consumption carbon black feeding system and liquid firing system have been commissioned. Giving an approx. saving of ₹20 /MT of clinker.

d. Calciner coal firing line diameter reduced from 14 inches to 8 inches giving a saving of 3 kcal / kg of clinker thereby a saving of ₹3 /MT of clinker was achieved.

C. DOLVI:

a. Lighting power consumption is reduced as LED lighting installed in plant.

b. 500 KVA Capacitor bank installed in VRM-2, has led to improvement in power factor.

c. Energy efficient Compressor installed in March 2018, reducing power consumption

D. SALBONI:

a. Reduction of power consumption in OPC grinding by 26% (47 units to 35 units per MT) and GGBS grinding by 21% (47 to 37 units per MT).

b. 40% Reduction of coal consumption (kg/T Cement).

c. 60% Reduction of fuel oil (L/T Cement).

Corporate Governance

Report on Corporate Governance for the Year 2017 - 18

1. Company's Governance Philosophy:

The Governance Philosophy of the Company is based on strong foundations of ethical values and professionalism, Integrity, transparency, fairness, accountability and compliance with the law are embedded in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. The Company's focus is on sustainable development. The Company's customer centric approach ensures product quality and enabled the Company to earn the trust and goodwill among investors, employees and other stakeholders. The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities surrounding our plants, pollution free clean environment. These practices are being followed since the inception and have contributed to the Company's sustained growth.

2. Governance Structure:

The Company's Governance structure comprises dual layer, the Board of Directors and the Committees of the Board at the apex level and the Management structure at an operational level. This brings about a homogenous blend in governance as the Board lays down the overall corporate objectives and provides direction and independence to the Management in building a conducive environment for sustainable business operations and value creation for all stakeholders.

2.1 Board of Directors:

The Board of Directors play a fundamental role in upholding and nurturing the principles of good governance which translates into ethical business practices, transparency and accountability. The Board operates within the framework of a well-defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interests of the Company. The Board's composition and size is robust and enables it to deal competently with emerging business development issues and exercise independent judgement.

2.2 Appointment and Tenure:

The Board of Director comprises of Executive, Non-Executive and Independent Directors to maintain the neutrality of the Board and separate its functions of governance and management. Currently, the Board consists of Nine members, two of whom are Executive Director, four are Non-Executive Directors (NED) and three are Independent Directors including a Woman Director.

All Non-Executive Directors are subject to retirement by rotation and at every Annual General Meeting 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of section 152 of the Companies Act, 2013 and Articles of Association of the Company. The Executive Directors on the Board serve in accordance with the terms of his contract of service with the Company.

2.3 Size and Composition of the Board:

The size and composition of the Board during the financial year 2017-18 along with the number of other directorship held by the Directors in other Companies are given below:

Category	Name of Director	Position	Attendance at		No. of other Directorships
			Board Meetings	**11th AGM on held 28th September 2017**	**Other Directorships in Indian Companies** (inserted after declaration received by Directors)
Executive Director	Mr. Parth Jindal	Managing Director	5	-	6
	Mr. Nilesh Narwekar	Whole Time Director and CEO	2	-	NIL

Category	Name of Director	Position	Attendance at		No. of other Directorships
			Board Meetings	**11th AGM on held 25th September 2017**	**Other Directorships in Indian Companies#** (inserted after declaration received by Directors)
Non-Executive	Mr. Nirmal Kumar Jain	Chairman	5	Present	11
	Mr. Kantilal Narandas Patel	Director	5	Present	9
	Mr. Pankaj Kulkarni	Director	5	-	1
	Mr. Biswadip Gupta	Director	3	-	11
Independent Director	Mr. Jugal Kishore Tandon	Director	5	Present	9
	Mr. Jaiprakash Narain Lal	Director	4	-	NIL
	Ms. Sutapa Banerjee	Director	4	-	11

Notes:

1. During the financial year 2017-2018, five Board Meetings were held and the gap between two meetings did not exceed 120 days. Board meetings were held on 26th April 2017, 8th August 2017, 6th November 2017, 2nd January 2018 and 30th January 2018.
2. Mr. Nilesh Narwekar has been appointed w.e.f 8th August 2017.
3. There are no inter-se relationships between the Board Members.

2.4 Board Meetings, Board Committee Meetings and Procedures:

A. Institutionalised decision making process:

The Board of Directors provide strategic guidance, monitors operational performance and ensures that robust policies and procedures are in place. The Board's composition and size is robust and enables it to deal competently with emerging business development issues and exercise independent judgement.

The Board has constituted seven Committees namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Finance Committee, Risk Committee, Project Review Committee and Employee Stock Option Plan (ESOP) Committees. The Board may constitute additional functional Committees from time to time depending on the business necessities.

B. Scheduling and selection of Agenda Items for Board Meetings:

A minimum of four meetings are held every year. Additional meetings are held as and when necessary. Dates for the Board Meetings for the ensuing quarters are decided well in advance and communicated to the Directors. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Committees of the Board usually meet before the formal Board meeting, or whenever the need arises, for transacting business. The recommendations of the Committees are placed before the Board for necessary approval and noting.The meetings are usually held at the Company's Registered Office situated at JSW Centre, Bandra Kurla Complex, Bandra (East) Mumbai- 400 051.

All departments/divisions of the company are advised to schedule their work plan well in advance with regards to matter requiring discussion/approval at Board/Committee meetings.

The Board is given presentations covering Company's Financial Performance and Business Plan and

Strategy. The Board is also provided with the Audit Committee's observations on the Company's financials and internal audit findings.

C. Distribution of Board Agenda Material:

Agenda papers are generally circulated well in advance to the Board Members. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are considered.

For any business exigencies, the resolutions are passed by circulation and later placed in the subsequent Board/Committee Meeting for noting.

D. Recording Minutes of proceedings of Board and Committee Meetings:

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated within 15 days to the Board/ Committee members for their comments. The minutes are approved and signed by the Chairman of the next meeting. The signed minutes are also circulated to the Board members within 15 days of signing.

E. Post Meeting Follow-up Mechanism:

The Governance process in the Company has an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees. All important decisions taken at the meeting are communicated to the concerned officials and departments.

F. Compliance:

During the preparation of agenda, notes on agenda and minutes of the meeting(s), Company Secretary is responsible for and is required to ensure adherence to all applicable laws and regulations, pursuant to the Companies Act, 2013 read with Rules issued thereunder, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

2.5 Independent Directors Meeting:

A meeting of the Independent Directors of the Company was held, without the presence of Non-Independent Directors and management of the Company, on 28th March, 2018. The Independent Directors discussed and evaluated the performance of the Non-Independent Directors and the performance of the Chairman of the Board and aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

3. Committees of the Board:

a. Audit Committee:

The Audit Committee was reconstituted on November 6, 2017 and comprises of two Non-Executive Director (NED) and three Independent Director (ID). The Committee's composition meets with the requirements of section 177 of the Companies Act, 2013 and the members of the Audit Committee possess financial / accounting expertise / exposure. Presently, the Audit Committee comprises of following members:

Mr. Jugal Kishore Tandon	- Chairman
Mr. Nirmal Kumar Jain	- Member
Mr. Jaiprakash Narain Lal	- Member
Ms. Sutapa Banerjee	-- Member
Mr. Pankaj Kulkarni	-- Member

The Board has approved the role and responsibilities for the functioning of Audit Committee which inter alia includes:

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company
- to review and monitor the auditor's independence & performance and effectiveness of audit process
- examination of the financial statements and the auditors' report thereon
- approval or any subsequent modification of transactions of the company with related parties
- scrutiny of inter-corporate loans and investments
- valuation of undertakings or assets of the company, wherever necessary

evaluation of internal financial controls and risk management systems

- monitoring the end use of funds raised through public offers and related matters

The powers of the Audit Committee inter alia include:

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

During the year under review, the Committee had met four times on 25th April 2017, 7th August 2017, 3th November, 2017 and 29th January 2018. The Chief Financial Officer, GM (Finance and Accounts) and Head of Internal Audit Department have attended the meetings of Audit Committee. The Statutory Auditors have also been invited in the Audit Committee Meetings for finalization of Annual Accounts. The Company Secretary acts as the Secretary of the Committee.

The attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. Jugal Kishor Tandon Chairman	Independent Director	4
Mr. Jaiprakash Narain Lal Member	Independent Director	4
Mrs. Sutapa Banerjee Member	Independent Director	4
Mr. Nirmal Kumar Jain Member	Non-Executive Director	4
Mr. Pankaj Kulkarni Member*	Non-Executive Director	1

Appointed as Committee Member w.e.f. 06th November, 2017

b. Nomination & Remuneration Committee:

The Nomination and Remuneration Committee comprises of two Non-Executive Directors and two Independent Directors. The Committee's composition meets the requirements of section 178 of the Companies Act, 2013.

The Board has approved the roles and responsibilities for the functioning of the Nomination and Remuneration Committee which inter alia includes:

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

During the year under review, the Committee had met two times on 25th April 2017, and 7th August, 2018. The Company Secretary acts as the Secretary of the Committee. The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. Jugal Kishore Tandon Chairman	Independent Director	2
Mr. Jaiprakash Narain Lal Member	Independent Director	2
Mr. Nirmal Kumar Jain Member	Non-Executive Director	2
Mr. Kantilal Narandas Patel - Member	Non-Executive Director	2

c. **Corporate Social Responsibility (CSR) Committee:**

The Corporate Social Responsibility Committee was reconstituted on 8th August, 2017 and comprises of three Non-Executive Director and two Independent Directors. The Committee's composition meets with the requirements of section 135 of the Companies Act, 2013.

The broad terms of reference of CSR Committee are:

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

During the year under review, the Committee had met four times on 26th April 2017, 7th August 2017, 6th November 2017 and 29th January 2018. The Company Secretary acts as the Secretary of the Committee. The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. Kantilal Narandas Patel - Chairman	Non-Executive Director	4
Mr. Nirmal Kumar Jain* Member	Non-Executive Director	2
Mr. Biswadip Gupta* Member	Non-Executive Director	2
Mr. Jugal Kishore Tandon Member	Independent Director	4
Mrs. Sutapa Banerjee Member	Independent Director	4

** Appointed as Committee Member w.e.f. 8th August 2017*

d. **Finance Committee:**

The Finance Committee was reconstituted on 08th August 2017 and comprises of one Executive Director and two Non-Executive Directors. The roles and responsibilities approved by the Board, for the functioning of Finance Committee, inter alia include:

a) to avail credit/financial facilities of any description including refinancing (hereinafter called as "Facilities") from Banks/Financial Institutions/ Bodies Corporate (hereinafter referred to as 'Lenders') upon such security as may be required by the 'Lenders' and agreed by the Committee including any alteration of sanction terms, provided, the aggregate amount of such credit/ financial facilities to be availed by the Committee shall not exceed ₹5000 crores.

b) to alter/vary terms, conditions, repayment schedules including premature payments of the credit/ financial facilities availed from Lenders, with or without premium on such payments.

c) to hypothecate/pledge/ create charge on movable and immovable properties/ assets of the Company and to initial, sign, execute necessary deeds, documents, agreements, writings etc. to avail the said facilities.

d) to invest and deal with fund of the Company upon such security (not being shares of the Company) or without security in such manner as the Committee may deem fit, and from time to time to vary or realize such investments, provided that all investments shall be made and held in the Company's name and provided further that monies to be invested and dealt with as aforesaid by the Committee shall not exceed `600 crores and decide the authorized persons to take all necessary actions in that regard.

e) to grant loans or give guarantee or provide security in respect of loans given to Individuals/ Bodies Corporate and/or to place deposits with other Companies/Firms upon such security or without security in such manner as the Committee may deem fit and from time to time vary/recover such loans/deposits, provided however, that the aggregate amount of such loans/deposits shall not at any time exceed ₹700 crores.

f) to open Current Account(s), Collection Account(s), Operation Account(s), invest/renew/ withdraw fixed deposits/time deposits/margin money deposits or any other deposits as per requirement, or any other Account(s) with Banks whether in Indian Rupees or in Foreign Currencies, whether in India or abroad, and also to close such accounts, which the Committee may consider necessary and expedient and to decide / appoint / change / remove the authorized signatories and mode of operation of the bank accounts; to authorize persons for internet banking and modifications in the signatories and mode of operation from time to time.

g) to avail guarantees/letter of credits/enter into bill purchase schemes with any of the banks/ institutions.

h) to appoint / replace Credit Rating Agencies and to apply, review and accept Credit Ratings.

i) to authorize officers or any other persons to sign and execute Letter of Indemnity (LOI) on behalf of the Company, for all export & import documentation purpose, including for releasing cargo without original Bills of Lading, for clean Bills of Lading, any changes required to be made in Bills of Lading and any changes required to be made in discharge port as against what is declared in Bills of Lading.

j) to allot/transfer/transmission of securities of the Company to promoter(s) and / or non-promoter(s) and / or any individuals, body corporate, any other incorporated or un-incorporated entities whether resident or non-resident.

k) to allot/redeem Non-Convertible Debentures (NCDs), to change/modify/ alter the terms of issued NCDs/to create security/additional securities/modification in security created for allotment of debentures, to delegate power for creation of security viz signing of Debenture Trust Deed, other Documents and relevant papers, to appoint R&T agents, to appoint Depository(s) and to delegate powers for signing agreements in relation to the Depository, to issue debenture certificates or allotment of debentures in demat mode and to do all other acts and deeds incidental thereto allot/redeem debentures, to change/modify/alter the terms of issues

l) to authorize officers or other persons for the purpose of acquisition of land, dealing and registration with the statutory authorities.

m) to authorize officers or other persons to deal with Goods and Service Tax, Excise, Service Tax, Customs, Income Tax, profession Tax, Commercial Tax, State & Central Sales tax, VAT authorities and such other State and Central Government authorities, on such terms and conditions and limitations as the said Committee shall determine and initial, sign execute all applications, papers, contracts, deeds and documents in this regard.

n) to appoint, Occupier, under various acts applicable to the factory and to appoint Factory Manager pursuant to Factories Act, 1948 and authorized them to initial, sign, execute all necessary applications, forms, contracts, deeds and documents pursuant to various acts applicable to the factory located at various places within the territory of India.

o) to authorize officers or any other persons to issue, sign and give indemnities, bonds, guarantees or documents of similar nature having financial exposure to the State and Central Government Authorities and also to accept, enter into and sign any compromise in relation to the direct or indirect tax matters.

p) to issue power of attorneys, open/close branch offices, authorize persons for signing Vakalatnama, authorize persons to attend meeting pursuant to section 113 of the Companies Act, 2013, affixation of Common seal.

q) to do all acts, deeds and things as the Committee deem fit and consider necessary by exercising the powers of the Board which the Committee may lawfully exercise by virtue of the powers hereinabove conferred

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

During the year under review, the Committee met five times on 07th June 2017, 14th September 2017, 09th November 2017, 07th December 2017 and 07th March 2018. The Company Secretary acts as the Secretary of the Committee. The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. Nirma l KumarJain Chairman	Non-Executive Director	5
Mr. Nilesh Narwekar Member*	Executive Director	3
Mr. Kantilal Narandas Patel - Member	Non-Executive Director	5
Mr. Pankaj Kulkarni Member**	Non-Executive Director	1

** Appointed as Committee Member w.e.f. 8th August, 2017*

*** Resigned from Committee Member w.e.f. 8th August, 2017*

e. Executive Committee:

The Executive Committee comprises of one Executive Director and two Non-Executive Directors. The broad terms of reference of Executive Committee are:

- to review and recommend on bidding and tendering process issued by Government of India for the Coal, Limestone and other Mining Blocks;
- to authorize any person to initial, sign, execute documents and instruments with relation to the bidding and tendering process;
- to recommend for issuance of bank guarantee, power of attorney or any other documents and instruments whatsoever in nature as required for the bidding and tendering process issued by Government of India
- to do all such acts, deeds as specified in tender documents, and
- to exercise such powers as may be delegated by the Board of Directors from time to time.

The Committee has met once on 09th May 2017 during the year under review. The Committee have been dissolved and the function of the Committee has been merged with the Project Review Committee.

f. Employee Stock Ownership Plan (ESOP) Committee:

The ESOP Committee comprises of four Non-Executive Directors, one of whom is an Independent Director. The broad terms of reference of ESOP Committee are:

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

Employees Shall Exercise the Vested Options in the event of termination or resignation of an Employee.

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

The Committee had met three times during the year under review on 25th April 2017, 01st June 2017 and 7th August 2017. The Company Secretary acts as the Secretary of the Committee. The compositions and attendance details of members of the Committee are given below:

Name of Members	Category	No. of Meetings attended
Mr. Nirmal Kumar Jain Chairman	Non-Executive Director	3
Mr. Kantilal Narandas Patel - Member	Non-Executive Director	3
Mr. Pankaj Kulkarni Member	Non-Executive Director	3
Mr. Jugal Kishore Tandon Member	Independent Director	3

g. Project Review Committee:

The Project Review re-committee was re-constituted on 8th August 2017 and comprises of three Non-Executive Directors and two Independent Directors.

The broad terms of reference of Project Review Committee are:

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

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

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

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

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

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

g) to review new strategic initiatives.

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

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

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

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

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

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

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

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

During the year under review, the Committee had met four times on 25th April 2017, 7th August 2017, 3rd November 2017 and 29th January 2018. The Company Secretary acts as the Secretary of the Committee.

The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. Jugal Kishore Tandon Chairman	Independent Director	4
Mr. Nirmal KumarJain Member	Non-Executive Director	4
Mr. Biswadip Gupta Member	Non-Executive Director	3
Mr. Pankaj Kulkarni Member	Non-Executive Director	4
Mr. Jaiprakash Narain Lal Member	Independent Director	4

h. Risk Committee:

The Risk Committee was constituted on 26th April 2017 and comprises of three Non-Executive Directors and two Independent Directors.

The broad terms of reference of Risk Committee are:

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

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

c) to implement the Risk Management Policy as approved by the Board.

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

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

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

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

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

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

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

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

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

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

During the year under review, the Committee had met three times on 7th August 2017, 3rd November 2017 and 29th January 2018. The Company Secretary acts as the Secretary of the Committee.

The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. Nirmal Kumar Jain Member	Non-Executive Director	3
Mr. Kantilal Narandas Patel - Member	Non-Executive Director	3
Mr. Pankaj Kulkarni Member	Non-Executive Director	3
Mr. Jugal Kishor Tandon Chairman	Independent Director	3

4. General Meetings:

a. Annual General Meetings (AGMs):

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereto are as follows:

AGM	Date	Time	Venue	Special Resolution
11th	25th September 2017	3.00 P.M.	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	a) Appointment and fixation of remuneration of Whole Time Director and CEO b) Grant of Loan pursuant to section 186 of the Companies Act, 2013 c) Pledge of Equity Shares of Subsidiary Company
10th	28th September 2016	3.00 P.M.	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Appointment and fixation of remuneration of Managing Director of the Company
9th	30th September 2015	3.00 P.M.	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Nil

b. Extra-ordinary General Meetings (EOGMs):

The details of date, time and venue of Extra-ordinary General Meetings (EGMs) of the Company held during the preceding three years and the special resolutions passed thereat are as under:

EGM	Date	Time	Venue	Special Resolution
	27th January 2018	10.00 A.M.	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Resolution pursuant to section 186 of the Companies Act, 2013
	9th November 2017	9.30 A.M.	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Reclassification of Capital Clause of Memorandum of Association of the Company
	30th May 2017	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	a) Approval of amended JSWCL Employees Stock Ownership Plan - 2016 b) Approval pursuant to rule 12(4)(b) of the Companies (Share Capital and Debentures) Rule, 2014, Grant of options to employees during any one year equal to or exceeding one percent of issued capital of the Company at the time of grant of options
	30th March 2017	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Inter Corporate Loan to Shiva Cement Limited

EGM	Date	Time	Venue	Special Resolution
	26th December 2016	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	a) Loan and Investment by the Company in terms of the provisions of Section 186 of the Companies Act, 2013. b) Borrowing powers of the Company in terms of provisions of Section 180(1)(c) of the Companies Act, 2013. c) Creation of Security(ies) in terms of provisions of Section 180(1)(a) of Companies Act, 2013. d) Performance Guarantee and Corporate/ Bank Guarantee to Monnet Ispat & Energy Limited (MIEL) e) Inter Corporate Loan to Monnet Ispat & Energy Limited (MIEL) f) Inter Corporate Loan to Reynold Traders Private Limited
	21st May 2016	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	a) Approval of amended JSWCL Employees Stock Ownership Plan - 2016 b) Approval pursuant to Rule 12(4)(b) of the Companies (Share Capital and Debentures) Rule, 2014, Grant of options to employees during any one year equal to or exceeding one percent of issued capital of the Company at the time of grant of options c) Grant of options to Retired Employees, Employees retired in the year of the grant of options
	30th March 2016	11.00 A.M.	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	a) JSWCL Employees Stock Ownership Plan - 2016 b) Provision of money by the Company for purchase of its own shares by the Trust / Trustees for the benefit of eligible employees under the "JSWCL Employees Stock Ownership Plan - 2016" (hereinafter referred to as the "ESOP Scheme-2016")
	16th May 2015	11.00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	c) Private placement of three crore equity shares of Rs. 10/- each. d) Approval of e-form PAS-4.
	23rd March 2015	12.00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	a) To re-adopt Articles of Association of the Company. b) Private placement of three crore equity shares of Rs. 10/- each.

5. Disclosures:

5.1 There were no materially significant related party transactions, i.e. transaction of the Company with its Promoters, Directors or the Management or relatives etc., that conflict with the interests of the Company.

5.2 The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.

5.3 The Company has laid down procedures to inform Board members about the risk assessment and minimisation process which are periodically reviewed.

5.4 There are no Inter-se relationships between Directors of the Company.

6. Means of Communication:

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance.

6.1 Annual Report: The Annual Report containing, interalia, Audited Annual Accounts, Directors' Report, Corporate Governance Report, Auditors' Report and other important information is sent to Members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report.

6.2 Chairman's & Managing Director Communique: The Chairman's & Managing Director Communique is a part of Annual Report send to the Shareholders.

7. General Shareholders Information:

7.1 Corporate Identity Number (CIN): U26957MH2006PLC160839

7.2 ISIN number: INE718I01012

7.3 Registrar & Share Transfer Agents:

Karvy Computer Share Private Limited,
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda,

Hyderabad-500032

7.4 Shareholding pattern of the Company as on March 31, 2018

Sr. No.	Name of the Shareholder	No. of shares & % of holding	
1	Adarsh Advisory Services Pvt. Ltd.	893,067,550	90.54
2	JSW Investments Pvt. Ltd.	41,589,726	4.22
3	Glebe Trading Pvt. Ltd.	20,642,340	2.09
4	Danta Enterprises Pvt. Ltd.	26,000,000	2.64
5	JSL Limited	5,052,114	0.51
6	Mr. Seshagiri Rao*	100	0.00
7	Mr. K N Patel*	100	0.00
8	Mr. P K Kedia*	100	0.00
9	Mr. Jayant Acharya*	100	0.00
10	Mr. BalwantRanka*	100	0.00
	TOTAL	**986,352,230**	**100.00%**

**Nominees of JSW Investment Private Limited*

7.5 Green Initiative for Paperless Communications: As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, to shareholders at their e-mail address previously registered with the DPs/Company/RTAs. To support the "Green Initiative" taken by the MCA and to contribute towards greener environment, The Company is sending Notices and Agenda to Directors through email and after meeting circulating compliance related documents through e-mail. Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail address with their concerned DPs and forward the same to Company's Registrar in the event they have not done so earlier for receiving notices/documents through Electronic mode.

Shareholders who hold shares in physical form are requested to register their e-mail addresses with Company, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

7.6 Registered Office:

JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.

7.8 Plant Locations:

P. O. Vidyanagar, Toranagallu Village, Sandur Taluk, District Bellary, Karnataka - 583 123.

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

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

Survey No. 107/B, 109, 114-118, Village KharKaravi, Dolvi, Taluka - Pen, District - Raigad Maharashtra - 402 107.

Ankur Complex, Vill- Jambedia, Po- Sayedpur (Viya Salboni), PS- Salboni, Dist:- Paschim Midnapur, West Bengal Pin 721147.

8. Corporate Ethics:

The Company adheres to the highest standards of the business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings.

Internal Checks and Balances.

The Company has an Internal Audit Cell besides external firms acting as independent internal auditors that reviews internal controls and operating systems and procedures. The Board and the Management periodically review the findings and recommendations of the auditors and take necessary corrective actions wherever necessary. The Board recognises the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company. The Company also ensures that the Company conducts its business with high standards of legal, statutory and regulatory compliances.

At the heart of our processes is the extensive use of technology. This ensures robustness and integrity of financial reporting and internal controls, allows optimal use and protection of assets, facilitates accurate and timely compilation of financial statements and management reports and ensures compliance with statutory laws, regulations and company policies.

Independent Auditor's Report

TO THE MEMBERS OF JSW CEMENT LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of JSW Cement Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2018 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and change in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 ofthe standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters whichare required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under sub-section 11 of section 143 of the Act.

We conducted our audit of the standalone Ind AS financial statementsin accordance with the Standards on Auditing specified under sub-section 10 of section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud orerror. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section 3 of section 143 of the Act, based on our audit we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income,the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
   (e) On the basis of written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note - 34(a) of the standalone Ind AS financial statements;
      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The company has not entered into any derivative contracts during the year; and
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **SHAH GUPTA & CO.**
Chartered Accountants
F. R. N.: 109574W

Heneel K Patel
Partner
M. No.114103

Place: Mumbai
Date: 8th May 2018

Annexure A
To The Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JSW Cement Limited of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as fixed assets in the standalone Ind AS financial statements, the lease agreements are in the name of the Company.

(ii) The inventory, except goods in transit, has been physically verified by the Company at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have been substantially been confirmed by them. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, reporting under the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence, reporting under paragraph 3 (v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148 of the Act. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section 1 of section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not required to make a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us, and the records of the company examined by us, in our opinion, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, no undisputed amounts payable were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, details of dues of income tax, duty of customs, duty of excise, value added tax and cess which have not been deposited as on 31st March 2018 on account of disputes are given below:

Name of the Statue	Nature of Dues	Amount (₹ crores)	Period to which the amount relates	Forum where dispute is pending
Central Excise	Cenvat Credit, Penalty and Interest	7.05 1.43 1.52 5.49 18.57 6.88 3.86 1.31	2008-09 2009-10 2011-12 2012-13 2013-14 2014-15 2015-16 2017-18	Customs, Excise and Service Tax Appellate Tribunal (CESTAT) Tirupati, Kurnool, Bengaluru &Belgam
Building & Other Construction Workers (Regulation of employment & Conditions of Service) Act,1996	Cess	1.00	2008-09	Commisioner of Labour, Kurnool
Customs	Classification of Imported Coal	22.50	2012-13	Commisioner of Customs (Import), Guntur and Chennai
Sales Tax	VAT on sale to SEZ units	0.05	2014-15	Appellate Deputy Commissioner, Tirupati
Income Tax	Disallowance of addition to Fixed Assets	0.32	2008-09 and 2016-17	Case Redirected to Assessing Officer

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to the banks during the year. The Company has not taken any loan from a financial institution, government or by way of issue of debentures.

(ix) In our opinion and according to the information and explanations given to us, moneys raised by way of term loans have been applied for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has neither raised any money by way of initial public offer or further public offer (including debt instruments) nor were such proceeds pending to be applied, during the current year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officer or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company and hence, reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, and hence, reporting under paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Hence, reporting under paragraph 3 (xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence, reporting under paragraph 3(xvi) of the Order is not applicable to the Company.

For **SHAH GUPTA & CO**
Chartered Accountants
F.R.N. - 109574W

Heneel K Patel
Partner
M. No.114103

Place: Mumbai
Date: 8th May 2018

Annexure B

To The Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JSW Cement Limited of even date)

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

We have audited the internal financial controls over financial reporting of JSW CEMENT LIMITED ("the Company") as of 31st March 018, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section 10 of section 143 of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute\ of Chartered Accountants of India.

For **SHAH GUPTA & CO.**
Chartered Accountants
F.R.N. : 109574W

Heneel K Patel
Partner
M. No.114103

Place: Mumbai
Date: 8th May 2018

Balance Sheet

As At 31st March 2018

₹ crores

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
I. ASSETS				
Non-current assets				
(a) Property, plant and equipment	4	2,267.46	1,500.00	1,289.04
(b) Capital work-in-progress	4.6	437.31	645.27	239.49
(c) Other intangible assets	4 A	9.35	9.58	9.42
(d) Financial assets				
(i) Investments	5	203.81	164.14	19.91
(ii) Loans	6	227.92	6.43	1.75
(iii) Other financial assets	7	47.54	47.54	-
(e) Deferred tax assets(net)	8	14.93	9.37	60.02
(f) Income tax assets (net)	9	6.03	0.25	7.20
(g) Other non-current assets	10	124.99	75.61	74.67
Total non-current assets		**3,339.34**	**2,458.19**	**1,701.50**
Current assets				(a)
Inventories	11	212.18	157.78	137.26
(b) Financial assets				
(i) Trade receivables	12	164.48	128.84	81.00
(ii) Cash and cash equivalents	13	205.56	121.20	17.96
(iii) Bank balances other than (ii) above	14	86.02	0.02	0.02
(iv) Loans	6	28.82	54.74	21.76
(v) Other financial assets	7	28.20	20.00	4.06
(c) Other current assets	10	257.75	183.44	61.62
Total current assets		**983.01**	**666.02**	**323.68**
Total assets		**4,322.35**	**3,124.21**	**2,025.18**
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	15	986.35	450.51	450.51
(b) Other equity	16	185.38	100.09	(22.92)
		1,171.73	**550.60**	**427.59**
Liabilities				
(a) Financial liabilities				
(i) Borrowings	17	1,754.78	1,486.41	964.08
(ii) Other financial liabilities	18	28.30	60.60	20.30
(b) Provisions	19	26.51	23.77	21.54
Total non-current liabilities		**1809.59**	**1,570.78**	**1,005.92**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	20	304.55	222.43	33.55
(ii) Trade payables	21	498.69	341.43	268.66
(iii) Other financial liabilities	22	498.54	386.54	245.67
(b) Other current liabilities	23	39.25	50.18	43.79
(c) Provisions	19	-	2.25	-
Total current liabilities		**1,341.03**	**1,002.83**	**591.67**
Total equity and liabilities		**4,322.35**	**3,124.21**	**2,025.18**

See accompanying notes to the Standalone Financial Statement

As per our attached report of even date

For **Shah Gupta & Co.**

Chartered Accountants
F.R.N. 109574W

Heneel K Patel
Partner
Membership No.: 114103

Place: Mumbai
Date: 8th May 2018

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN - 00019442

Parth Jindal
Managing Director
DIN - 06404506

Rahul Dubey
Company Secretary

Narinder Singh Kahlon
Chief Financial Officer

Statement of Profit and Loss

For The Year Ended 31st March 2018

₹ crores

Particulars		Note No.	For the year ended 31st March 2018	For the year ended 31st March 2017
I	Revenue from operations	24	1,638.57	1,586.13
II	Other income	25	40.84	91.64
III	**Total Income (I + II)**		**1,679.41**	**1,677.17**
IV	**Expenses**			
	Cost of raw material consumed	26	208.84	180.45
	Purchases of stock-in-trade	27	14.04	21.39
	Changes in inventories of finished goods, semi finished goods and stock-in-trade	28	2.93	(10.30)
	Employee benefits expense	29	95.60	89.82
	Excise duty expense		50.61	171.34
	Power and fuel		287.00	242.47
	Freight and handling expenses		389.37	370.98
	Other expenses	30	263.68	220.50
			1,312.07	**1286.65**
	Less: Captive consumption		(5.04)	(7.00)
	Total Expenses (IV)		**1,307.03**	**1,279.65**
V	**Earnings before interest, tax, depreciation and amortisation (EBITDA) (III - IV)**		**372.38**	**398.12**
VI	Finance costs	31	193.00	134.13
VII	Depreciation and amortization expense	32	73.20	53.58
VIII	**Profit before tax (V - VI - VII)**		**106.18**	**210.41**
IX	**Total tax expenses**	34k	**15.49**	**96.29**
X	**Profit for the year (VIII - IX)**		**90.69**	**114.12**
XI	**Other comprehensive income**			
	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the defined benefit plans		(0.35)	(0.31)
	(b) Equity instruments through other comprehensive income		5.95	0.88
	ii) Income tax relating to items that will not be reclassified to profit or loss		(1.94)	(0.20)
	Total (XI)		**3.66**	**0.37**
	Total comprehensive income (X + XI)		**94.35**	**114.49**
	Earnings per equity share (face value of ₹10/- each)	34m		
	- Basic		1.46	2.53
	- Diluted		1.46	2.53

See accompanying notes to the Standalone Financial Statement

As per our attached report of even date

For **Shah Gupta & Co.**
Chartered Accountants
F.R.N. 109574W

For and on behalf of the Board of Directors

Heneel K Patel
Partner
Membership No.: 114103

Nirmal Kumar Jain
Chairman
DIN - 00019442

Parth Jindal
Managing Director
DIN - 06404506

Place: Mumbai
Date: 8th May 2018

Rahul Dubey
Company Secretary

Narinder Singh Kahlon
Chief Financial Officer

Statement of Changes in Equity (Socie)

For The Period Ended 31st March 2018

(A) Equity Share Capital

₹ crores

Particulars	Total
Balance at 01st April 2016	**450.51**
Change in equity share capital during the year	-
Balance at 31st March 2017	**450.51**
Change in equity share capital during the year	535.84
Balance at 31st March 2018	**986.35**

(B) Other equity

₹ crores

Particulars	Reserves & Surplus		Items of Other comprehensive income		
	Retained Earnings	Share option outstanding reserve	Equity instruments through other comprehensive income	Remeasurement of the net defined benefit plans	Total
Balance at 01st April 2016	**(22.92)**	**-**	**-**	**-**	**(22.92)**
Profit for the year	113.98	-	-	-	113.98
Impact of employee welfare trust consolidation	0.14	-	-	-	0.14
Other comprehensive income for the year	-	-	0.57	(0.20)	0.37
Total comprehensive income for the year	**91.20**	**-**	**0.57**	**(0.20)**	**91.57**
Share-based payments	-	8.51	-	-	8.51
Balance at 31st March 2017	**91.20**	**8.51**	**0.57**	**(0.20)**	**100.08**
Profit for the year	90.57	-	-	-	90.57
Share issue expenses	(0.54)	-	-	-	(0.54)
Reversal of share based payments	-	(8.51)	-	-	(8.51)
Impact of employee welfare trust consolidation	0.12	-	-	-	0.12
Other comprehensive income for the year	-	-	3.89	(0.23)	3.66
Total comprehensive income for the year	**90.15**	**(8.51)**	**3.89**	**(0.23)**	**85.30**
Balance at 31st March 2018	**181.35**	**-**	**4.46**	**(0.43)**	**185.38**

See accompanying notes to the Standalone Financial Statement

As per our attached report of even date

For **Shah Gupta & Co.**
Chartered Accountants
F.R.N. 109574W

For and on behalf of the Board of Directors

Heneel K Patel
Partner
Membership No.: 114103

Nirmal Kumar Jain
Chairman
DIN - 00019442

Parth Jindal
Managing Director
DIN - 06404506

Place: Mumbai
Date: 8th May 2018

Rahul Dubey
Company Secretary

Narinder Singh Kahlon
Chief Financial Officer

Cash Flow Statement

For The Year Ended 31st March 2018

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	**106.18**	**210.41**
Adjustments for:		
Interest income	(23.97)	(7.94)
Dividend on long-term investments	(0.19)	(0.45)
Gain on sale of current investments	(3.47)	(0.54)
Write back of excess provision	(1.35)	(1.37)
Government incentive	(7.77)	(77.73)
Unrealised foreign exchange loss (net)	(2.28)	3.57
Depreciation and amortisation expense	73.20	53.58
Interest costs on borrowings	193.00	134.13
Operating profit before working capital changes	**333.35**	**313.66**
Movements in Working Capital:		
(Increase) in Trade receivables	(35.64)	(47.84)
(Increase) in Inventories	(54.40)	(20.53)
(Increase) in Loans & advances*	(22.58)	(30.14)
(Increase) / Decrease in financial assets	3.13	(59.64)
(Increase) / Decrease in other assets*	(36.46)	9.04
Increase in Trade payables	160.91	70.56
Increase in Other liabilities*	10.62	39.66
Cash used in Operations	**358.93**	**274.77**
Direct taxes paid (net)	(31.03)	(36.64)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**327.90**	**238.13**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant & equipment including capital advances	(712.56)	(588.07)
Interest received	12.64	4.10
Investment in associate & subsidiary	(33.72)	(143.35)
Dividend on long-term investments	0.19	0.45
Gain/(loss) on Purchase/Sale of current investments	3.47	0.54
Loan given to related party	(172.99)	(7.52)
NET CASH USED IN INVESTING ACTIVITIES	**(902.97)**	**(733.85)**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of equity share capital	535.30	-
Proceeds from long-term borrowings	2,250.30	596.57
Proceeds from short-term borrowings	82.12	188.87
Repayment of long-term borrowings	(1,927.22)	(51.01)
Interest paid on borrowings	(195.07)	(135.46)
NET CASH GENERATED FROM FINANCING ACTIVITIES	**745.43**	**598.97**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B +C)	**170.36**	**103.25**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**121.22**	**17.98**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer Note 13 and 14)	**291.58**	**121.23**

*** Includes current/ non-current**

Note:

1. The Cash Flow Statement has been prepared under the "Indirect method" as set out in IND AS - 7 statement of cash flow.

As per our attached report of even date

For **Shah Gupta & Co.**
Chartered Accountants
F.R.N. 109574W

Heneel K Patel
Partner
Membership No.: 114103

Place: Mumbai
Date: 8th May 2018

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN - 00019442

Parth Jindal
Managing Director
DIN - 06404506

Rahul Dubey
Company Secretary

Narinder Singh Kahlon
Chief Financial Officer

Notes To Standalone Financial Statements

For The Year Ended 31st March 2018

1. Overview of the Company/General Information

JSW Cement Limited ("the Company") is engaged in the business of manufacture and sale of cement, ground granulated blast furnace slag and clinker and trading of allied products. The Company is operating ~ 3.20 million tonne per annum grinding unit at Vijayanagar- Karnataka, ~ 4.80 million tonne per annum green field cement manufacturing unit at Bilkalguduru village near Nandyal- Andhra Pradesh, ~ 1.00 million tonne per annum grinding unit at Dolvi Maharashtra and ~ 2.40 million tonne per annum grinding unit at Salboni village in West Bengal .

JSW Cement Limited is a public limited company incorporated in India on March 29, 2006 under the Companies Act, 1956. The registered office of the Company is JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.

2. Significant Accounting Policies

I. Statement of Compliances

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 8th May 2018.

For all periods up-to and including the year ended 31st March 2017, the Company prepared its Standalone Financial Statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the first Ind AS Standalone Financial Statements of the Company. The date of transition to Ind AS is 01st April 2016. Refer note 2(XXI) below for the details of first-time adoption exemptions availed by the Company.

II. Basis of preparation and presentation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Standalone Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended with effect from 01st April 2017. Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2018, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

The Standalone Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

III. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when significant risks and rewards of ownership pass to the customer. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable. Revenue from sale of by-products are included in revenue.

Dividend and interest income :

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

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

IV. Leasing - Operating Lease

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As lessee

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the lease term unless either:

a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Arrangements in the nature of lease

Lease agreements, comprising a transaction or series of related transactions, that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Company applies the requirements of Appendix C of Ind AS 17 - Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 17 - Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements on the basis of their relative fair values.

V. Foreign Currency Transactions

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

a. exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

b. exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements upto 31st March 2016 prepared under previous GAAP, are capitalized as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss.

VI. Borrowing Costs

Borrowing costs attributable to the acquisition and construction of qualifying assets, are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

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

VII. Government grants and subsidies

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

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

Government Grant relating to tangible fixed assets are treated as deferred income and released to statement of profit and loss over the expected useful lives of the assets concerned

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

VIII. Employee Benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee Benefits Expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

IX. Employee Share based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 34F.

The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

X. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current 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 Company operates and generates taxable income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

XI. Property, Plant and Equipment

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

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

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

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

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

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS i.e. 1st April 2016, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Capital Work In Progress

Assets in the course of construction are shown as Capital Work-in-progress ("CWIP") for capitalisation and includes cost of material consumed, erection charges thereon along with other related expenses incurred for the projects. Expenditure attributable to fixed assets are identified and allocated on a systematic basis to the cost of related assets. Interest during construction and expenditure (net) allocated to construction are apportioned to CWIP on the basis of the closing balance of specific assets or part of asset being capitalised. The balance if any, left after such capitalisation is kept as a separate item under CWIP schedule. Claims for price variation/ escalation in case of contracts are accounted for on acceptance of claims.

Apart from costs related directly to the construction of an asset, indirect expenses incurred up-to the date of commencement of commercial production which are incidental and related to construction are capitalized as part of the construction cost. Income, if any, earned during the construction period is reduced from the indirect costs.

At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

Depreciation and Amortisation

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Sr. No.	Nature of Assets	Useful life of assets
1	Plant and Machinery	3 to 55 years
2	Factory Building	65 years
3	Non-Factory Building	3 to 65 years

Depreciation on additions to fixed assets is provided on a pro-rata basis from the date of installation and in the case of a new project from the date of commencement of commercial production. Depreciation on deductions / disposals is provided on pro-rata basis upto the date of deduction/disposal.

Spares, servicing equipment and standby equipment, which are capitalised, are depreciated over the useful life of the related fixed asset. The written down value of such spares is charged to statement of profit and loss, on issue for consumption.

Freehold land are not depreciated.

Expense Incurred for improvement of leasehold assets which are expected to have future economic benefit are capitalized and amortise over the term of the lease.

Capital assets whose ownership does not vest with the Company are amortised based on the estimated useful life as follows:

Sr. No.	Nature of Assets	Useful life of assets
1	Switching substation	35 years
2	Railway Siding	15 years
3	Road	25 years

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

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

XII. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible Assets

Estimated useful lives of the intangible Assets are as follows.

Sr. No.	Nature of Assets	Useful life of assets
1	Software	3 years
2	Mines development expense	Period of mining lease

For transition to Ind AS, the company has elected to continue with carrying value of all its intangible assets recognised as of 1st April 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

XIII. Impairment of Property, Plant and Equipment and Intangible Assets

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

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

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

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

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

XIV. Inventories

Inventories are valued after providing for obsolescence as follows:

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

ii. Semi finished goods 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.

iii. Waste/Scrap inventory is valued at net realisable value.

iv. Obsolete, defective and unserviceable stock is duly provided for wherever applicable.

v. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XV. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a liable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

XVI. Investment in Subsidiaries and Associates

Investment in subsidiaries and associates are shown at cost. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

XVII. Financial Instruments

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

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

A. Financial assets

a) Recognition and initial measurement

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

b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, Fair Value through Other Comprehensive Income (FVTOCI) or FVTPL.

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

- The asset is held 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 Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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

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

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

All other financial assets are classified as measured at FVTPL.

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

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

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

c) Derecognition of financial assets

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

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

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

d) Impairment

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

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

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

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

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

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

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

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

e) Effective interest method

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

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

B. Financial liabilities and equity instruments

a) Classification as debt or equity

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

b) Equity instruments

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

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

c) Financial liabilities

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

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

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

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

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

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

Other financial liabilities:

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

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

Derecognition of financial liabilities:

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

d) Reclassification of financial assets

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

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

e) Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge or hedges of net investments in foreign operations. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognized in profit or loss. in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

XVIII. Cash and cash equivalents:

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

XIX. Earnings Per Share (EPS)

Basic EPS is computed by dividing the net profit or loss after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

XX. Mines restoration provision

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs arising from restoration at closure of the mines and other site preparation work are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

XXI. First time adoption - mandatory exceptions, optional exemption

Overall principle

The Company has prepared the opening Standalone Balance Sheet as per Ind AS as of 01st April, 2016 (the transition date) by,

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below. Since, the financial statements are the first financial statements, the first time adoption - mandatory exceptions and optional exemptions have been explained in detail.

a. Share based payment transactions

The Company has availed the exemption of not applying Ind AS 102- Share based payment to equity instruments that vested before date of transition to Ind AS.

b. Deemed cost for property, plant and equipment and intangible assets including capital work in progress and intangible assets under development

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets including capital work in progress and intangible assets under development recognised as of 01st April 2016 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

c. Deemed cost for investments in subsidiaries and associates

The Company has elected to continue with the carrying value of all of its investments in subsidiaries, and associates recognised as of 1st April 2016 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

d. Determining whether an arrangement contains a lease

The Company has opted to apply the Appendix C of Ind AS 17 - Determining whether an Arrangement contains a Lease, to determine whether the arrangements existing as on the transition date contains a lease, on the basis of facts and circumstances existing as at the transition date.

e. De-recognition of financial assets and financial liabilities

The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April 2016 (the transition date).

f. Designation of previously recognised financial instruments

The Company has designated financial liabilities and financial assets at fair value through profit or loss and investments in equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

g. Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

3. Key Sources of Estimation Uncertainty and Recent Accounting Pronouncement

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

A) Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

ii) Impairment of investments in subsidiaries and associates

Determining whether the investments in subsidiaries, associates are impaired requires an estimate in the value in use of investments. In considering the value in use, Management have anticipated the future commodity prices, capacity utilization of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

iii) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iv) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

v) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility

vi) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

vii) Mines restoration obligation

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to mining reserve, discount rates, the expected cost of mines restoration and the expected timing of those costs.

viii) Defined benefits plans

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

B) Recent Accounting Pronouncements

IND AS 115 - Revenue from Contracts with Customers:

On 28th March 28 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers effective from 01st April, 2018. The core principle of the new standard is that an entity should recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset.

IND AS 21 - Foreign currency transactions and advance consideration

On 28th March 28 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 effective from 01st April 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

Amendments to Ind AS 12

Amendments to Ind AS 12, Income Taxes clarifying the requirements for recognising deferred tax assets on unrealised losses. The amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. They also clarify certain other aspects of accounting for deferred tax assets. These amendments only clarify the existence of guidance of Ind AS 12 and do not change the underlying principles for recognition of deferred tax asset.

Amendment to Ind AS 28 and Ind AS 112

Amendment to Ind AS 28, Investments in associates and joint ventures and Ind AS 112, Disclosure of Interests in Other Entities clarifying that:

- Disclosure requirements of Ind AS 112 are applicable to interest in entities classified as held for sale except for summarised financial information
- The option available with venture capital organisation, mutual funds, unit trust and similar entities to measure their investment in associates or joint ventures at fair value through profit or loss (FVTPL) is available for each investment in an associate or joint venture.

Consequential amendments to other Ind AS due to notification of Ind AS 115 and other amendments discussed above.

The management is yet to assess the impact of the aforesaid amendments on the Company's financial information.

Note 4 Property, Plant and Equipment

₹ crores

Description of assets	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Computers	Office Equipment	Vehicle	220 KV Switching station	External road	Railway siding	Total Property, plant and equipment
I. Cost / Deemed cost											
Balance as at 1 April, 2016	31.15	217.97	1,014.46	1.14	0.46	0.63	1.17	16.36	-	5.69	1,289.04
Additions	1.24	42.75	217.54	0.09	0.75	0.88	0.26	-	-	0.91	264.42
Deductions	-	-	-	-	(0.01)	-	(0.22)	-	-	-	(0.23)
Balance as at 31 March, 2017	**32.39**	**260.72**	**1,232.00**	**1.23**	**1.20**	**1.51**	**1.21**	**16.36**	**-**	**6.60**	**1,553.23**
Additions	-	213.02	526.73	0.79	0.91	1.53	1.54	-	84.06	11.66	840.23
Deductions	-	-	-	-	-	(0.01)	(0.32)	-	-	-	(0.33)
Balance as at 31 March, 2018	**32.39**	**473.74**	**1,758.73**	**2.02**	**2.11**	**3.03**	**2.43**	**16.36**	**84.06**	**18.26**	**2,393.13**
II. Accumulated depreciation											
Balance as at 1 April, 2016	-	-	-	-	-	-	-	-	-	-	-
Depreciation expense for the year	-	3.62	47.56	0.21	0.30	0.26	0.20	0.53	-	0.57	53.25
Eliminated on disposal of assets	-	-	-	-	-	-	(0.03)	-	-	-	(0.03)
Balance as at 31 March, 2017	**-**	**3.62**	**47.56**	**0.21**	**0.30**	**0.26**	**0.17**	**0.53**	**-**	**0.57**	**53.22**
Depreciation expense for the year	-	6.21	60.15	0.26	0.49	0.37	0.34	1.11	3.36	0.25	72.54
Eliminated on disposal of assets	-	-	-	-	-	(0.01)	(0.07)	-	-	-	(0.08)
Balance as at 31 March, 2018	**-**	**9.83**	**107.71**	**0.47**	**0.79**	**0.61**	**0.44**	**1.64**	**3.36**	**0.82**	**125.68**
Carrying value											
Balance as at 31 March, 2018	32.39	463.91	1,651.02	1.54	1.32	2.42	1.99	14.72	80.70	17.44	2,267.46
Balance as at 31 March, 2017	32.39	257.10	1,184.44	1.02	0.90	1.25	1.04	15.83	-	6.03	1,500.00
Balance as on 1 April 2016	31.15	217.97	1,014.46	1.14	0.46	0.63	1.17	16.36	-	5.69	1,289.04
Useful life of the assets (years in range)	NA	65	25-40	5-10	3-6	5-10	8-10	35	25	15	-
Method of depreciation / amortization	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	-

4.1 Asset include Gross Block of ₹592.04 Crore (previous year ₹164.51 Crore) constructed on lease land under sub-lease agreements with JSW Steel Limited, for 150 Acres of land situated at Tornagallu village, District Bellary Karnataka at an annual rent of ₹0.60 crore.

4.2 Asset include Gross Block of ₹165.45 Crore (previous year ₹162.91 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 ₹ 1.94 Crore.

4.3 Additions to Plant & Machinery includes adjustment of ₹71.28 crores on account of finance cost

4.4 Company has recognised Mining Rights as required under IND AS 16 Property, Plant & Equipment for decommissioning liability to be incurred towards mines restoration expenditure, for deriving the cost of the asset company has discounted the value over the lease period of the mines.

4.5 Property, plant and equipment include assets with net block of ₹112.87 crores (previous year ₹21.86 crores) not owned by the company

4.6 Capital work in progress includes finance cost ₹0.33 Crores (As at 31st March 2017: ₹32.09 crores)

4.7 Capital assets whose ownership does not vest with the Company are amortised based on the estimated useful life.

4.8 Certain property, plant and equipment are pledged against borrowing, the detail relating to which have been described in note 17

4.9 The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer Note below for the gross block value and the accumulated depreciation on 01st April 2016 under the previous GAAP.

₹ crores

Description of Assets	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Computers	Office Equipment	Vehicle	220 KV Switching station	Railway siding	Total Property, plant and equipment
I. Gross block										
Balance as at 1st April 2016	31.15	238.52	1,230.78	2.01	2.88	2.01	1.63	18.16	7.44	1,534.59
II. Accumulated depreciation										
Balance as at 1st April 2016		20.55	216.32	0.87	2.42	1.38	0.46	1.80	1.75	245.55
Net block treated as deemed cost upon transition (I-II)	**31.15**	**217.97**	**1,014.46**	**1.14**	**0.46**	**0.63**	**1.17**	**16.36**	**5.69**	**1,289.04**

Note 4A Other Intangible Assets

₹ crores

Description of Assets	Software	Mining Rights	Total Intangible Assets
I. Cost / Deemed cost			
Balance as at 1st April 2016	0.49	8.93	9.42
Additions	0.49	-	0.49
Deductions	-	-	-
Balance as at 31st March 2017	**0.98**	**8.93**	**9.91**
Additions	0.54	-	0.54
Deductions	(0.35)	-	(0.35)
Balance as at 31st March 2018	**1.17**	**8.93**	**10.10**
II. Accumulated amortisation			
Balance as at 1st April 2016	-	-	-
Amortisation expense for the year	0.21	0.12	0.33
Eliminated on disposal of assets	-	-	-
Balance as at 31st March 2017	**0.21**	**0.12**	**0.33**
Amortisation expense for the year	0.50	0.16	0.66
Eliminated on disposal of assets	(0.24)	-	(0.24)
Balance as at 31st March 2018	**0.47**	**0.28**	**0.75**
Carrying value			
Balance as at 31st March 2018	**0.70**	**8.65**	**9.35**
Balance as at 31st March 2017	0.77	8.81	9.58
Balance as on 1st April 2016	0.49	8.93	9.42
Useful life of the assets (years in range)	3	50	-
Method of amortization	SLM	SLM	-

4.10 The Company has availed the deemed cost exemption in relation to the other intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer Note below for the gross block value and the accumulated amortisation on 1st April, 2016 under the previous GAAP.

₹ crores

Description of Assets	Software	Mining Rights	Total Intangible Assets
I. Gross block			
Balance as at 1st April 2016	6.61	9.76	16.37
II. Accumulated amortisation			
Balance as at 1st April 2016	6.12	0.83	6.95
Net block treated as deemed cost upon transition (I-II)	**0.49**	**8.93**	**9.42**

5. Investments (Non Current)

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(A) Investment in Equity Instruments			
Quoted- others (At fair value through OCI)			
JSW Energy Limited 2,114,610 (31st March 2017: 2,114,610; 01st April 2016: 2,114,610) of ₹10 each fully paid-up	15.39	13.29	14.70
JSW Steel Limited 380,000 (31st March 2017: 380,000; 01st April 2016: 380,000) of ₹10 each fully paid-up	10.95	7.13	4.87
Quoted - Subsidiary (Cost or deemed cost)			
Shiva Cement Limited 104,366,750 (31st March 2017: 96,337,806) of ₹10 each fully paid-up	162.26	143.07	-
Unquoted - Subsidiary (Cost or deemed cost)			
JSW Cement FZE 69,265 (31st March 2017: 1,000) of AED 150 each fully paid-up	14.82	0.28	-
Investment in Mutual fund			
Quoted - Others (At fair value through OCI)			
JM High Liquidity Fund - Growth	0.39	0.37	0.34
Investment in government or trust securities			
(Unquoted - valued at amortised cost)			
National Saving Certificate - Pledged with Commercial Taxes Department ₹3,000 (31st March 2017: ₹3,000; 01st April, 2016: ₹3,000)	-	-	-
Total	**203.81**	**164.14**	**19.91**
Quoted			
Aggregate book value	188.99	163.86	19.91
Aggregate market value	286.08	205.28	19.91
Unquoted			
Aggregate carrying value	14.82	0.28	-
Investment at cost	177.08	143.35	-
Investment at fair value thorugh other comprehensive income	26.73	20.79	19.91

On 30th June 2017, Company acquired control over Shiva Cement limited (associate company 49.4% equity stake) through acquisition of additional 4.12% of equity shares.

6. Loans

₹ crores

Particulars	Non-Current			Current		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Unsecured considered good						
Security deposits	-	-	-	2.13	2.14	1.58
Loans to:						
- Related parties *	202.26	3.54	1.75	-	25.73	20.00
- Other body corporates	25.66	2.89	-	26.25	26.25	-
Advance to employees	-	-	-	0.44	0.62	0.18
Total	**227.92**	**6.43**	**1.75**	**28.82**	**54.74**	**21.76**

* for business purpose

7. Other Financial Assets

₹ crores

Particulars	Non-Current			Current		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Interest receivable on loan to related party	-	-	-	15.16	3.95	3.18
Interest receivable others	-	-	-	3.96	3.85	0.78
Rent receivable	-	-	-	5.00	2.00	-
Advance towards equity	-	-	-	4.02	10.12	-
Claims receivable	-	-	-	0.06	0.08	0.10
Term deposit with remaining maturity of more than 12 months	47.54	47.54	-	-	-	-
Total	**47.54**	**47.54**	**-**	**28.20**	**20.00**	**4.06**

8. Deferred Tax (Liabilities) / Asset (Net)

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Deferred tax (liabilities)/ asset (net) (refer note 34k)	(70.78)	(53.34)	43.14
MAT Credit entitlement	85.71	62.71	16.88
Total	**14.93**	**9.37**	**60.02**

9. Income Tax Assets (Net)

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advance tax and tax deducted at Source (net)	6.03	0.25	7.20
Total	**6.03**	**0.25**	**7.20**

10. Other Assets

₹ crores

Particulars	Non-Current			Current		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Capital advances	73.98	42.91	47.36	-	-	-
Advance to suppliers	-	-	-	64.76	13.10	15.58
Cenvat receivable	-	-	-	-	73.07	31.02
GST receivable	-	-	-	82.27	-	-
Prepaid expenses	12.99	-	-	9.08	7.26	0.89
Leasehold land prepayments	7.80	8.17	4.16	-	-	-
Security deposits	30.22	24.53	23.15	-	-	-
Other receivables	-	-	-	101.64	90.01	14.13
Total	**124.99**	**75.61**	**74.67**	**257.75**	**183.44**	**61.62**

11. Inventories (at lower of Cost and Net Realisable Value)

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Raw materials (includes stock in transit ₹26.90 crores; previous year Nil; as at 1st April 2016 ₹0.79 crores) at cost	66.62	21.57	22.62
Semi finished goods	26.34	28.05	19.71
Finished goods	19.95	18.16	11.62
Stores and spares (includes stock in transit Nil; previous year Nil; as at 1st April 2016 ₹0.65 crores) at cost	77.03	60.34	63.57
Fuel (includes stock in transit ₹0.56 crores; previous year Nil; as at 1st April 2016 ₹8.15 crores) at cost	22.24	29.66	19.74
Total	**212.18**	**157.78**	**137.26**

Inventories have been pledged as security against certain bank borrowings of the company as at 31st March 2018 (refer note 20)

Cost of inventory recognised as an expense

₹ crores

Particulars	As at 31st March 2018	As at 31st 31st March 2017
Cost of material consumed	208.84	180.45
Changes in inventories of finished goods, semi finished and stock in trade	2.93	(10.30)
Stores and spares	21.74	22.34
Fuel	119.81	96.17
Total	**353.32**	**288.66**

12. Trade Receivables

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Secured considered good	50.58	56.12	40.04
Unsecured considered good (refer note 33)	113.90	72.72	40.96
Considered doubtful	0.47	0.48	0.60
Less: allowance for doubtful debts	(0.47)	(0.48)	(0.60)
Total	**164.48**	**128.84**	**81.00**

Trade receivables are secured by the fund received from del-credere agent (refer note 22)

Trade receivables have been pledged as securities against certain bank borrowings of the Company as at 31st March 2018 (refer note 20)

13. Cash and Cash Equivalent

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with banks in current account	205.49	19.12	17.92
Cash on hand	0.07	0.06	0.04
Balance in Escrow account*	-	102.02	-
Total	**205.56**	**121.20**	**17.96**

*Escrow account was opened for open offer for purchase of equity in subsidiary.

14. Bank Balances Other than Cash and Cash Equivalent

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Other bank balances			
Term deposit with original maturity of more than 3 month but less than 12 months at inception	86.02	0.02	0.02
Total	**86.02**	**0.02**	**0.02**

15. Equity Share Capital

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Authorised Capital			
1,250,000,000 (31st March 2017 : 1,000,000,000; 1st April 2016 : 1,000,000,000) Equity shares of ₹10 each	1,250.00	1,000.00	1,000.00
25,000,000 (31st March 2017 : 50,000,000; 1st April 2016 : 50,000,000) Preference shares of ₹100 each	250.00	500.00	500.00
Issued, Subscribed & Fully Paid Up Capital			
986,352,230 (31st March 2017 : 450,511,700, 1st April 2016 : 450,511,700) Equity shares of ₹10 each fully paid up	986.35	450.51	450.51
Total	**986.35**	**450.51**	**450.51**

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

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
	No. of Shares	NO. of Shares	No. of Shares
Equity shares at the beginning of the year	450,511,700	450,511,700	450,511,700
Add: Fresh issue of shares during the year	535,840,530	-	-
Equity shares at the end of the year	**986,352,230**	**450,511,700**	**450,511,700**

15.2 Rights, preferences and restrictions attached to equity shares

Equity Shares: The Company has a single class of of ordinary equity shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

During the year the Company has issued and alloted 535,840,530 equity shares of ₹10 each (at par) to Adarsh advisory Service Private Limited as approved by Finance Committe in their meeting held on 07th December 2017.

15.3 Details of aggregate shareholding by holding company

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Adarsh Advisory Services Private Limited - Holding Company 893,067,550 (Previous year 357,227,020) Equity Shares of ₹10 each	893.07	357.23	-
JSW Investment Private Limited - Holding company alongwith its nominee shareholders (1st April 2016 : 323,192,496) Equity Shares of ₹10 each	-	-	323.19

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

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Equity shareholding						
Adarsh Advisory Services Private Limited - Holding company	893,067,550	90.54%	357,227,020	79.29%	-	-
JSW Investment Private Limited alongwith its nominees	-	-	41,590,226	9.23%	323,192,496	71.76%
JSW Logistics Infrastructure Private Limited	-	-	-	-	75,550,000	16.77%
Danta Enterprises Private Limited	-	-	26,000,000	5.77%	26,000,000	5.77%

16. Other Equity

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Retained earning	181.35	91.20	(22.92)
Share option outstanding reserve	-	8.51	-
Other comprehensive income:			
Remeasurements of the net defined benefit Plans	(0.43)	(0.20)	-
Equity instruments through other comprehensive income	4.46	0.57	-
Total	**185.38**	**100.08**	**(22.92)**

As per IND AS 19 employee benefits gain or loss on account of remeasrurement of the defined benefit liabilities / assets have been realised through other comprehensive income.

17. Non Current Borrowings

₹ crores

Particulars	Non-Current			Current		
	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Term Loans						
Secured						
- From banks	1,763.85	1,493.61	968.11	129.94	73.33	50.10
Less: Unamortised upfront fees on borrowings	(9.07)	(7.20)	(4.03)	(2.90)	(1.01)	(1.01)
Total	**1,754.78**	**1,486.41**	**964.08**	**127.04**	**72.32**	**49.09**

Rupee Term Loan from Banks (Secured)

₹ crores

As on 31st March 2018		As on 31st March 2017		As at 1st April 2016		Terms of	
Non-current	Current	Non-current	Current	Non-current	Current	Repayment	Security
590.99	45.76	636.71	45.76	682.46	45.76	13 quarterly instalment of ₹11.44 crore each from 01.07.2018 to 01.07.2021, 4 quarterly instalment of ₹13.34 crore each from 01.10.2021 to 01.07.2022, 4 quarterly instalment of ₹30.50 crore each from 01.10.2022 to 01.07.2023, 4 quarterly instalment of ₹38.13 crore each from 01.10.2023 to 01.07.2024, 4 quarterly instalment of ₹40.03 crore each from 01.10.2024 to 01.07.2025	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future movebale fixed assets of the company
333.53	52.76	384.90	24.57	285.65	4.34	3 quarterly instalment of ₹10.55 crore each from 14.04.2018 to 14.10.2018, 4 quarterly instalment of ₹21.11 crore each from 14.01.2019 to 14.10.2019, 4 quarterly instalment of ₹27.02 crore each from 14.01.2020 to 14.04.2020	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 movebale fixed assets of the company
720.19	-	415.00	-	-	-	4 quarterly instalment of ₹18.00 crore each from 30.09.2019 to 30.06.2020, 4 quarterly instalment of ₹19.80 crore each from 30.09.2020 to 30.06.2021, 4 quarterly instalment of ₹23.41 crore each from 30.09.2021 to 30.06.2022, 4 quarterly instalment of ₹27.01 crore each from 30.09.2022 to 30.06.2023, 12 quarterly instalment of ₹30.61 crore each from 30.09.2023 to 30.06.2026	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future movebale fixed assets of the company
19.70	19.70	-	-	-	-	Annual Instalment of ₹19.70 crore each on 30.10.2018 & 30.10.2019	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 movebale fixed assets of the company
99.43	11.72	57.00	3.00	-	-	4 quarterly instalment of ₹2.93 cr from 09.06.2018 to 09.03.2019, 20 quarterly instalment of ₹4.97 crore each from 09.06.2019 to 09.03.2024	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future movebale fixed assets of the company
1,763.85	**129.94**	**1,493.61**	**73.33**	**968.11**	**50.10**		

18. Other Financial Liabilities

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Payable for capital projects	28.30	60.60	20.30
Total	**28.30**	**60.60**	**20.30**

19. Provisions

₹ crores

Particulars	Non-Current			Current		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Provision for employee benefits						
Gratuity	1.58	1.20	1.62	-	-	-
Leave encashment	4.86	3.62	2.56	-	-	-
Less: Transferred to other current liabilities	(0.52)	(0.35)	(0.39)	-	-	-
Provision for taxation	-	-	-	-	2.25	-
Mines restoration expenditure	20.59	19.30	17.75	-	-	-
Total	**26.51**	**23.77**	**21.54**	**-**	**2.25**	**-**

Note 19.1 Movement of provisions during the year as required by Ind AS- 37 "Provisions, Contingent Liabilities and Contingent Asset" specified under section 133 of the Companies Act, 2013:

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Mines restoration expenditure (to be settled at mines closure)			
Opening Balance	19.30	17.75	-
Add: Provision made during the year	1.29	1.55	17.75
Closing Balance	**20.59**	**19.30**	**17.75**

20. Current Borrowings

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Secured loans			
Loan repayable on demand			
- from bank -working capital loan	304.55	222.43	33.55
Total	**304.55**	**222.43**	**33.55**

20.1 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 along with other working capital lenders.

21. Trade Payable

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Acceptances	177.19	64.09	35.76
Other than acceptances	321.50	277.34	232.90
Total	**498.69**	**341.43**	**268.66**

Acceptances include credit availed by the company from banks for payment to suppliers for raw material purchased by the company. The arrangements are interest bearing and are payable within one year. Refer note 34 for disclosure under Micro, Small and Medium enterprises Development Act.

22. Other Financial Liabilities

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current maturities of long-term borrowings (refer note 17)	127.04	72.32	49.09
Interest accrued but not due on borrowings	0.53	2.59	3.93
Payable for capital projects			
- Acceptances	68.05	133.72	37.46
- Other than acceptances	164.42	67.10	67.19
Security Deposit from customers	87.92	54.69	47.96
Del credre finance payable	50.58	56.12	40.04
Total	**498.54**	**386.54**	**245.67**

Acceptances include credit availed by the company from banks for payment to suppliers for capital items purchased by the company. The arrangements are interest bearing and are payable within one year.

23. Other Current Liabilities

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current dues of long-term employee benefits	0.52	0.35	0.39
Advances from customers	2.69	9.75	17.40
Statutory liabilities	35.40	38.53	24.94
Other payables	0.64	1.55	1.06
Total	**39.25**	**50.18**	**43.79**

24. Revenue from Operations

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Sale of Products		
Finished goods	1,608.28	1,551.12
Traded	20.66	25.63
Other operating revenue		
Scrap sales	9.63	9.38
Revenue from operations	**1,638.57**	**1,586.13**

25. Other Income

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Interest income from loan to related party	12.11	2.28
Interest income from others	11.86	5.66
Dividend income from long term investments	0.19	0.45
Profit on sale of property, plant and equipment	-	0.38
Profit on sale of current investments	3.47	0.54
Write back of excess provision	1.35	1.37
Government incentive	7.77	77.73
Miscellaneus income	4.09	3.23
Total	**40.84**	**91.64**

26. Cost of Raw Material Consumed

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Inventory at the beginning of the year	21.57	22.62
Add : Purchases	253.89	179.40
Less: Inventory at the end of the year	66.62	21.57
Total	**208.84**	**180.45**

27. Purchase of Stock in Trade

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Granulated Blast Furnace Slag	1.21	7.92
Cement	1.50	-
Clinker	-	13.18
Limestone	11.33	-
Packing Bag	-	0.29
Total	**14.04**	**21.39**

28. Changes in Inventories of Finished Goods, Semi Finished Goods

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Inventories at the beginning of the year		
Finished goods	18.16	11.62
Semi finished goods	28.05	19.71
	46.21	**31.33**
Trial run stock		
Finished goods	3.13	-
Semi finished goods	0.28	-
	3.41	**-**
Inventories at the end of the year		
Finished goods	19.95	18.16
Semi finished goods	26.34	28.05
Total Inventories at end of the year	**46.29**	**46.21**
	3.33	(14.88)
Excise duty on stock of finished goods (net)	(0.40)	4.58
Total	**2.93**	**(10.30)**

29. Employee Benefits Expense

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Salaries and wages	96.18	75.73
Employee stock option expense	(7.01)	8.51
Contributions to provident fund and other funds (refer note 34g)	3.77	2.75
Gratuity expense (refer note 34g)	0.69	0.82
Staff welfare expenses	1.97	2.01
Total	**95.60**	**89.82**

30. Other Expense

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Consumption of stores and spares	21.74	22.34
Packing cost	48.11	44.45
Repairs and maintenance expenses:		
Repairs to buildings	1.07	2.65
Repairs to machinery	22.96	18.16
Others	1.84	0.97
Rent	5.86	4.42
Rates and taxes	3.33	6.50
Insurance	3.00	2.01
Legal & professional	12.87	13.66
Advertisement & publicity	59.93	37.44
Commission on sales	23.37	21.12
Rebates & discounts	19.72	14.17
Selling & Distribution Expenses	3.66	4.23
Branding fees	1.58	1.06
Director's commission	1.06	1.71
Auditors remuneration (Refer note 34m)	0.32	0.33
Loss on sale of fixed assets	0.37	-
Postage & telephone	1.16	1.27
Printing & stationery	0.60	0.28
Travelling expenses	14.59	10.47
Corporate social responsibility expense	3.01	2.52
Software and IT related expenses	1.89	3.99
General expenses	11.64	6.75
Total	**263.68**	**220.50**

31. Finance Costs

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Interest expenses	167.82	121.83
Unwinding of interest on financial liabilities at amortised cost	15.26	4.42
Other borrowing cost	9.92	7.88
Total	**193.00**	**134.13**

Other borrowing cost includes interest paid to securities deposits received from dealers, ancilliary cost incured 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.

32. Depreciation and Amortization Expense

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Depreciation on property, plant and equipment	67.82	52.14
Amortization of asset constructed on property not owned by company	4.72	1.10
Amortization of intangible assets	0.66	0.33
Total	**73.20**	**53.58**

33. Financial instruments

A. Capital Risk Management

The objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity. The Company's capital requirement is mainly to fund its capacity expansion and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the asset and closely monitors its judicious allocation amongst completing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

₹ crores

Particulars	31st March 2018	31st March 2017	1st April 2016
Long term borrowings	1,754.78	1,486.41	964.08
Current maturities of long term debt	127.04	72.32	49.09
Short term borrowings	304.55	222.43	33.55
Less: Cash and cash equivalent	(205.56)	(121.20)	(17.96)
Less: Bank balances other than cash and cash equivalents	(86.02)	(0.02)	(0.02)
Net Debt	**1,894.79**	**1,659.94**	**1,028.74**
Total Equity	**1,171.73**	**550.60**	**427.59**
Gearing ratio	**1.62**	**3.01**	**2.41**

(i) Equity includes all capital and reserves of the company that are managed as capital. (refer note 15 and 16)

(ii) Debt is defined as long-term and short-term borrowings (refer note 17 and 20).

B. **Categories of Financial Instruments**

₹ crores

Particulars	31st March 2018		31st March 2017		1st April 2016	
	Carrying Values	Fair Value	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets						
Measured at amortised cost						
Cash and cash equivalents	205.56	205.56	121.20	121.20	17.96	17.96
Bank balances other than cash and cash equivalents	86.02	86.02	0.02	0.02	0.02	0.02
Trade receivables	164.48	164.48	128.84	128.84	81.00	81.00
Loans	256.74	256.74	61.17	61.17	23.51	23.51
Other financial assets	71.72	71.72	57.42	57.42	4.06	4.06
Total financial assets at amortised cost (A)	**784.52**	**784.52**	**368.65**	**368.65**	**126.55**	**126.55**
Measured at fair value through other comprehensive income						
Non current investments	26.73	26.73	20.79	20.79	19.91	19.91
Total financial assets at fair value through other comprehensive income (B)	**26.73**	**26.73**	**20.79**	**20.79**	**19.91**	**19.91**
Total Financial assets (A+B)	**811.25**	**811.25**	**389.44**	**389.44**	**146.46**	**146.46**
Financial liabilities						
Measured at amortised cost						
Long term borrowings #	1,881.82	1,881.82	1,558.73	1,558.73	1,013.17	1,013.17
Short term borrowings	304.55	304.55	222.43	222.43	33.55	33.55
Trade payable	498.69	498.69	341.43	341.43	268.66	268.66
Other financial liabilities	399.80	399.80	374.82	374.82	216.88	216.88
Total financial liabilities at amortised cost	**3,084.86**	**3,084.86**	**2,497.41**	**2,497.41**	**1,532.26**	**1,532.26**

including current maturities of long term debt

C. Risk Management Framework

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

D. Financial Risk Management

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

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

i. Market risk

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

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

ii. Interest rate risk

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

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate.

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the company's profit for the year ended 31st March 2018 would decrease / increase by ₹4.38 crores (for the year ended 31st March 2017: decrease / increase by ₹6.85 crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

iii. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

Trade receivables

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an individual credit limits defined in accordance with the assessment. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. No single customer accounted for 10.0% or more of revenue in any of the years indicated. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

₹ crores

Ageing	0 to 6 Months	6 to 12 Months	More Than 12 Months	Total
Gross Carrying Amount	155.87	8.17	0.57	164.61
Expexted Loss rate	-	1.37%	3.35%	
Expexted credit Losses (Losses allowance provision)	-	0.11	0.02	0.13
Carrying amount of trade receivables (net of impairment)	**155.87**	**8.06**	**0.55**	**164.48**

Cash and cash equivalents : Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies. The Company's maximum exposure to the credit risk for the components of balance sheet as 31st March 2018, 31st March 2017 and 01st April 2016 is the carrying amounts mentioned in Note no 13.

Loans and Investment : The Company's centralised treasury function manages the financial risks relating to the business. The treasury function focusess on capital protection, liquidity and yield maximisation. Investment of surplus fund are made only in approved counter parts with credit limits assigned to each of the counter parts. The limits are set to minimum the concentration of risks and therefore mitigate the financial loss through counter party's potential failure to make payment.

iv. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Liquidity exposure as at 31st March 2018

₹ crores

Particulars	Contractual cash flows			
	< 1 year	1-5 year	> 5 years	Total
Financial Assets				
Cash and cash equivalents	205.56	-	-	205.56
Bank balances other than cash and cash equivalents	86.02	-	-	86.02
Trade receivables	164.48	-	-	164.48
Loans	28.82	227.92	-	256.74
Non current investments	-	-	26.73	26.73
Other financial assets	24.18	47.54	-	71.72
Total Financial Assets	**509.06**	**275.46**	**26.73**	**811.25**
Financial Liabilities				
Long term borrowings	-	999.13	755.65	1,754.78
Short term borrowings	304.55	-	-	304.55
Trade payable	498.69	-	-	498.69
Other financial liabilities	498.54	28.30	-	526.84
Total Financial Liabilities	**1301.78**	**1027.43**	**755.65**	**3,084.86**

Liquidity exposure as at 31st March 2017

₹ crores

Particulars	Contractual cash flows			
	< 1 year	1-5 year	> 5 years	Total
Financial Assets				
Cash and cash equivalents	121.20	-	-	121.20
Bank balances other than cash and cash equivalents	0.02	-	-	0.02
Trade receivables	128.84	-	-	128.84
Loans	54.74	6.43	-	61.17
Non current investments	-	-	20.79	20.79
Other financial assets	9.88	47.54	-	57.42
Total Financial Assets	**314.68**	**53.97**	**20.79**	**389.44**
Financial liabilities				
Long term borrowings	-	912.53	573.88	1,486.41
Short term borrowings	222.43	-	-	222.43
Trade payable	341.43	-	-	341.43
Other financial liabilities	386.54	60.60	-	447.14
Total Financial Liabilities	**950.40**	**973.13**	**573.88**	**2,497.41**

Liquidity exposure as at 1st April 2016

₹ crores

Particulars	Contractual cash flows			
	< 1 year	1-5 year	> 5 years	Total
Financial Assets				
Cash and cash equivalents	17.96	-	-	17.96
Bank balances other than cash and cash equivalents	0.02	-	-	0.02
Trade receivables	81.00		-	81.00
Loans	21.76	1.75	-	23.51
Non current investments	-	-	19.91	19.91
Other financial assets	-	4.06	-	4.06
Total Financial Assets	**120.74**	**5.81**	**19.91**	**146.46**
Financial liabilities				
Long term borrowings	-	964.08	-	964.08
Short term borrowings	33.55	-	-	33.55
Trade payable	268.66	-	-	268.66
Other financial liabilities	245.67	20.30	-	265.97
Total Financial Liabilities	**547.88**	**984.38**	**-**	**1,532.26**

Collateral

The Company has pledged part of its trade receivables to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered.

Level wise disclosure of financial instruments

₹ crores

Particulars	31st March 2018	31st March 2017	1st April 2016	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial Assets :					
Investment in Equity Shares measured at FVTOCI	26.34	20.42	19.57	Level 1	Quoted Bid Prices in an active market.
Mutual Funds	0.39	0.37	0.34		
Loans to related parties and intercorporate loans	254.17	58.41	21.75	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.

₹ crores

Financial Liabilities :					
Forward Contract	(0.12)	1.37	-	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Borrowing	2,059.33	1,708.84	1,708.84	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.

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

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

v. Foreign currency risk management

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's costs of imports, primarily in relation to raw materials and capital assets . The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency. In order to hedge exchange rate risk, the Company has a policy to hedge its payable up to a specific tenure using forward exchange contracts.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency exposure as at 31st March 2018

₹ crores

Particulars	USD	EURO	AED	INR	Total
Financial Assets					
Cash and cash equivalents	-	-	-	205.56	205.56
Bank balances other than cash and cash equivalents	-	-	-	86.02	86.02
Trade receivables	-	-	-	164.48	164.48
Loans	-	-	-	256.74	256.74
Non current investments	-	-	14.82	188.99	203.81
Other financial assets	0.42	-	-	71.30	71.72
Total Financial Assets	**0.42**	**-**	**14.82**	**973.09**	**988.33**
Financial Liabilities					
Long term borrowings	-	-	-	1,754.78	1,754.78
Short term borrowings	-	-	-	304.55	304.55
Trade payable	97.18	0.19	-	401.32	498.69
Other financial liabilities	16.58	45.33	-	464.93	526.84
Total Financial Liabilities	**113.76**	**45.52**	**-**	**2925.58**	**3,084.86**

Currency exposure as at 31st March 2017

₹ crores

Particulars	USD	EURO	AED	INR	Total
Financial Assets					
Cash and cash equivalents	-	-	-	121.20	121.20
Bank balances other than cash and cash equivalents	-	-	-	0.02	0.02
Trade receivables	-	-	-	128.84	128.84
Loans	-	-	-	61.17	61.17
Non current investments	-	-	0.28	163.86	164.14
Other financial assets	-	-	-	57.42	57.42
Total Financial Assets	**-**	**-**	**0.28**	**532.51**	**532.79**
Financial Liabilities					
Long term borrowings	-	-	-	1,486.41	1,486.41
Short term borrowings	-	-	-	222.43	222.43
Trade payable	65.37	0.04	-	276.02	341.43
Other financial liabilities	16.54	84.10	-	346.50	447.14
Total Financial Liabilities	**81.91**	**84.14**	**-**	**2,331.36**	**2,497.41**

Currency exposure as at 1st April 2016

₹ crores

Particulars	USD	EURO	AED	INR	Total
Financial Assets					
Cash and cash equivalents	-	-	-	17.96	17.96
Bank balances other than cash and cash equivalents	-	-	-	0.02	0.02
Trade receivables	-	-	-	81.00	81.00
Loans	-	-	-	23.51	23.51
Non current investments	-	-	-	19.91	19.91
Other financial assets	-	-	-	4.06	4.06
Total Financial Assets	**-**		**-**	**146.46**	**146.46**
Financial Liabilities					
Long term borrowings	-	-	-	964.08	964.08
Short term borrowings	-	-	-	33.55	33.55
Trade payable	1.18	49.87	-	217.61	268.66
Other financial liabilities	16.83	-	-	249.14	265.97
Total Financial Liabilities	**18.01**	**49.87**	**-**	**1,464.38**	**1,532.26**

Vi. Commodity price risk

The Company purchases its raw material in the open market from third parties. The Company is therefore subject to fluctuations in prices for the purchase of Clinker. The Company purchased substantially all of its Clinker from third parties in the open market during the year. If Clinker import price had been 1US Dollar higher / lower and all other variables were constant, the company's profit for the year ended 31st March 2018 would decrease / increase by ₹2.98 crores (for the year ended 31st March 2017: decrease / increase by ₹0.78 crores).

34. Other Notes

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

₹ crores

Sr. No.	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
i)	Differential Custom duty in respect of Import of Steam Coal	22.50	22.50	22.50
ii)	Excise Duty & Service tax credit in respect of capital goods and input services	44.82	11.28	12.51
iii)	Cess under the Building and other Constructions Workers Act, 1946	1.05	1.05	1.00
iv)	VAT exemption on sales made to SEZ unit	0.05	0.23	0.23
v)	Income Tax	0.32	0.25	1.56
	Total	**68.74**	**35.31**	**37.80**

b) Commitments:

₹ crores

Sr. No.	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
i)	Estimated amount of Contract remaining to be executed on capital accounts and not provided for (net of advances)	220.97	312.58	351.86

c) In the opinion of the Management, the current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the Balance Sheet in the ordinary course of business. Provisions are for all known liabilities and same is adequate and not in excess of what is required.

d) The company is yet to receive balance confirmations in respect of certain Trade Payables, Advances and Trade Receivables. The management does not expect any material difference affecting the amount at which they are stated.

e) Employee Share Based Payments Plans:

The Company has provided share-based payment schemes to its employees.

On 30th March 2016, the board of directors had approved the ESOP Scheme - 2016 for issue of stock options to its employees & whole-time directors of the Company. According to the Scheme, the employee selected by the ESOP committee from time to time will be entitled to options based upon the CTC/fixed pay, subject to satisfaction of the prescribed vesting conditions, viz., continuing employment of 1 year. The other relevant terms of the grant are as follows:

Particulars	ESOP 2016 Initial grant	ESOP 2017 1st subsequent Grant
Date of Grant	1st April 2016	1st April 2017
Grants outstanding as on 1st April 2016	-	4,953,159
Grants given during the year	5,620,950	-
Grants forfeited (by cash payout) during the year	-	-
Grants forfeited during the year	667,791	-
Grants exercised during the year	-	-
Grants outstanding as on 31st March 2017	4,953,159	-
Grants given during the year	-	5,615,072
Grants forfeited during the year	-	888,009
Grants exercised during the year	-	856,440
Grants outstanding as on 31st March 2018	-	8,823,782
Vesting period	One year	3 year & 4 year
Method of settlement	Cash	Cash
Exercise Price (₹ per share)	68.70	68.51
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
Weighted average values of the share price	Not Applicable	Not Applicable
Weighted average Exercise Price (₹ per share)	68.70	68.60
Expected Volatility	37.28%	31.83% to 32.5%
Expected Option life	3.5 Years	4 to 4.5 Years
Risk-Free Interest Free	7.32%	6.62% to 6.7%
The method used and the assumptions made to incorporate the effects of early exercise	Black Scholes Value	Black Scholes Value

Expenses arising from Employees' Share based payment plans debited to Profit & Loss Account ₹ NIL* crore (Previous Year ₹8.51 crores)

*Due to change in fair value of Grants, amount of ₹ 7.08 crores is reversed in current Financial Year.

f) Derivatives: Hedged Currency Risk Position

The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments.

i) The forward exchange contracts entered into by the company and outstanding are as under:

As at	No. of Contracts	Type	USD equivalent (million)	₹ crores equivalent
31st March 2018	3	Buy	4.15	27.15
31st March 2017	3	Buy	5.50	35.99
1st April 2016	-	Buy	-	-

ii) The foreign currency exposures that have not been hedged by derivative instruments or otherwise as at Balance Sheet date as given below:

Sr. No.	Particulars	EURO equivalent (million)	USD equivalent (million)	₹ crores equivalent
a)	Pending Capital Commitments			
	As at 31st March 2018	6.24	2.66	67.60
	(As at 31st March 2017)	(11.57)	(2.66)	(97.39)
	(As at 1st April 2016)	(0.52)	(2.66)	(20.07)
b)	Import of Raw Material & Fuel			
	As at 31st March 2018	-	2.10	13.65
	(As at 31st March 2017)	-	(1.59)	(10.29)
	(As at 1st April 2016)	-	(3.50)	(23.20)
c)	Supplier's/ Buyers' Credit			
	As at 31st March 2018	-	10.07	65.49
	(As at 31st March 2017)	-	(1.14)	(7.40)
	(As at 1st April 2016)	-	(2.06)	(13.71)
d)	Interest Accrued but not due on Suppliers'/ Buyers' Credit			
	As at 31st March 2018	0.01	0.04	0.28
	(As at 31st March 2017)	(0.01)	-	(0.07)
	(As at 1st April 2016)	-	(0.01)	(0.05)

iii) The foreign currency exposures that have been hedged by derivative instruments or otherwise as at Balance Sheet date are:

Sr. No.	Particulars	USD equivalent (million)	₹ crores equivalent
a)	Import of Raw Material & Fuel		
	As at 31st March 2018	-	-
	(As at 31st March 2017)	(1.81)	(12.06)
	(As at 1st April 2016)	-	-
b)	Suppliers'/ Buyers' Credit		
	As at 31st March 2018	4.15	27.15
	(As at 31st March 2017)	(3.69)	(23.93)
	(As at 1st April 2016)	-	-
c)	Interest Accrued but not due on Suppliers'/ Buyers' Credit		
	As at 31st March 2018	0.01	-
	(As at 31st March 2017)	-	-
	(As at 1st April 2016)	-	-

g) Employee Benefits:

i) Defined Contribution Plan:

The company operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the company in funds under the control of the trustee. The defined benefit plans are administered by a separate fund that is legally separated from the entity.

ii) Defined Benefit Plans

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58 and 60 without any payment ceiling. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years.

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest Rate Risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
Demographic Risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Salary Escalation Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liabilty.

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 2018 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:

₹ crores

Particulars	As at 31st March 2018 Funded	As at 31st March 2017 Funded
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	4.32	3.49
Acquisition adjustment	-	-
Service cost	1.14	0.76
Interest cost	0.32	0.28
Actuarial (gain)/loss on obligation	0.36	0.42
Benefits paid	(0.42)	(0.63)
Closing Balance	**5.72**	**4.32**
b. Changes in Fair Value of Plan assets:		
Opening balance of fair value of plan assets	3.12	1.86
Expected return on plan assets less loss on investments	0.23	0.16
Actuarial gain / (loss) on plan assets	0.01	0.10
Employers' contribution	1.20	1.63
Benefits paid	(0.42)	(0.63)
Closing Balance	**4.14**	**3.12**
c. Net Asset/(Liability) recognised in the Balance Sheet:		
Present value of obligations	(5.72)	(4.32)
Fair value of plan asset	4.14	3.12
Net Asset/(Liability) recognised in the Balance Sheet	**(1.58)**	**(1.20)**
d. Expenses during the Year:		
Service cost	1.14	0.76
Interest cost	0.32	0.28
Expected return on plan assets	(0.23)	(0.16)
Actuarial (Gain)/Loss	0.35	0.32
Total	**1.58**	**1.20**
e. Break up of plan assets as a percentage of total plan assets:		
Insurer managed funds - Value (100%)	4.14	3.12
f. Principal actuarial assumptions:		
Rate of discounting	7.8% p.a.	7.4% p.a.
Rate of increase in salaries	6.0% p.a.	6.0% p.a.
Attrition rate	2.0% p.a.	2.0% p.a.
g. Breakup of plan assets:		
HDFC Group Unit Linked Plan - Option B	0.79	0.53
HDFC Life Stable Management Fund	0.74	0.48
HDFC Life Defensive Managed Fund	0.54	0.54
Canara HSBC OBC Life Group Traditional Plan	2.07	1.57
Total	**4.14**	**3.12**

In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC Ultimate Tables 2006-08.

The Company has created irrevocable trust named "JSW Cement Employees' Gratuity Trust" for providing gratuity benefits to the employees and current year contribution to the trust is ₹1.20 crores (Previous Year ₹1.63 crores).

iv) Experience Adjustments

₹ crores

Particulars	**As at 31st March 2018 Funded**	**As at 31st 31st March 2017 Funded**	**As at 31st March 2016 Funded**	**As at 31st March 2015 Funded**	**As at 31st March 2014 Funded**
Defined Benefit Obligation	5.71	4.32	3.49	1.72	1.27
Plan Assets	4.14	3.12	1.86	1.14	0.97
Deficit	(1.57)	(1.2)	(1.63)	(0.58)	(0.3)
Experience adjustments on plan liabilities-Loss/(Gain)	0.61	0.15	0.09	0.15	0.03
Experience Adjustments on plan assets-Loss/(Gain)	(0.01)	(0.10)	0.03	0.01	-

v) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

₹ crores

Particulars	**As at 31st March 2018**		**As at 31st March 2017**	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(5.16)	6.37	(3.87)	4.84
Future salary growth (1% movement)	6.38	(5.14)	4.84	(3.86)
Attrition rate (1% movement)	5.77	(5.64)	4.35	(4.27)
Mortality rate (1% movement)	5.72	(5.71)	4.32	(4.31)

vi) Provident Fund:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined contribution plan comprise of contributions to the employees' provident fund set up as trust and certain state plans like Employees' State Insurance. The Company'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.

Company's contribution to Provident Fund recognized in statement of Profit and Loss ₹2.59 crores (Previous Year ₹1.88 crores).

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

vii) Compensated Absences

Assumptions used in accounting for compensated absences

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Present value of obligation	4.83	3.62	2.56
Expense recognized in statement of Profit or loss	1.69	1.06	0.95
Discount rate (p.a.)	7.80%	7.40%	8.00%
Salary escalation (p.a.)	6.00%	6.00%	6.00%

h) Segment Reporting:

The Company is primarily in the business of manufacturing and sale of cement and cement related product. As per IND AS 108 "Operating Segments" specified under Section 133 of the Companies Act 2013, there are no other reportable business applicable to the company.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below.

a) Revenue from Operation

₹ crores

Particulars	For Year ended 31st March 2018	For Year ended 31st March 2017
Within India	1,638.57	1,585.68
Outside India	-	0.45
Total	**1,638.57**	**1,586.13**

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

b) Non-Current Operating Assets

All non -current assets, financial instruments, deferred tax assets of the company are located in India.

i) **Related parties disclosure as per Indian Accounting Standard IND AS -24 :**

A)	**List of Related Parties**
1.	**Holding Company** Adarsh Advisory Service Private Limited
2.	**Subsidiary Company** JSW Cement FZE Shiva Cement Limited
3.	**Enterprises under common control/ exercising significant influence with whom the company has entered into transactions during the year** JSW Steel Limited JSW Energy Limited Jsoft Solutions Limited JSW Power Trading Co. 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 Limited Gopal Traders Private Limited Art India Publishing Company Private Limited Tranquil Homes & Holdings Private Limited JSW Jaigarh Port Limited JSW Paints Private Limited JSW Structural Metal Decking

4	**Key Managerial Personnel**
	Mr. Parth Jindal (Managing Director)
	Mr. Nilesh Narwekar (Whole Time Director & CEO, w.e.f. 8th August 2017)
	Mr. Narinder Singh Kahlon (Chief Financial Officer)
	Mr. Rahul Dubey (Company Secretary)

B) Nature of transactions

₹ crores

Transactions during the Year	**For the year ended 31st March 2018**	**For the year ended 31st March 2017**
Purchase of Goods/ Power & Fuel/ Services:		
JSW IP Holdings Private Limited	2.14	1.06
JSW Steel Limited	105.70	93.53
JSW Energy Limited	59.96	48.06
JSW Steel Coated Products Limited	5.57	1.50
JSW Structural Metal Decking	0.13	0.42
South - West Mining Limited	10.38	9.81
JSW International Tradecorp PTE Limited	6.62	24.75
JSW Dharamtar Port Private Limited	4.19	0.22
Amba River Coke Limited	0.25	0.27
JSW Power Trading Co. Limited	24.10	15.03
JSW Cement FZE	3.51	-
JSW Global Business Solutions Limited	6.46	2.03
Shiva Cement Limited	3.44	-
Art India Publishing Company Private Limited	0.08	-
Tranquil Homes & Holdings Private Limited	0.42	-
Total	**232.95**	**196.68**
Lease rent paid:		
JSW Steel Limited	2.94	2.49
JSW Bengal Steel Limited	1.25	0.79
Descon Limited	0.40	0.18
Total	**4.59**	**3.46**
Lease Rent Received:		
JSW Steel Limited	3.00	2.00
	3.00	**2.00**
Purchase of Assets:		
JSW Bengal Steel Limited	-	7.55
Total	**-**	**7.55**

₹ crores

Transactions during the Year	For the year ended 31st March 2018	For the year ended 31st March 2017
Reimbursement of expenses:		
JSW Steel Limited	6.41	6.22
JSW Bengal Steel Limited	1.55	1.91
Total	**7.96**	**8.13**
Sales of Goods / Other Income:		
JSW Steel Limited	69.06	35.93
JSW Steel Coated Products Limited	8.43	3.07
JSW Energy Limited	0.94	1.66
Amba River Coke Limited	0.04	0.02
Dolvi Coke Project Limited	12.42	8.32
JSW Dharamtar Port Private Limited	0.85	3.50
JSW Techno Projects Management Limited	1.25	4.81
JSW Steel (Salav) Limited	0.21	0.05
JSW Jaigarh Port Limited	2.79	-
JSW Paints Private Limited	3.01	-
Total	**99.00**	**57.36**
Interest income on Loan/Deposit given to		
JSW Techno Projects Management Limited	0.59	2.29
JSW Global Business Solutions Limited	0.42	0.30
Shiva Cement Limited	9.14	0.05
JSW Sports Limited	0.43	-
Total	**10.58**	**2.64**
Subscription to Equity Share Capital by:		
Adarsh Advisory Service Private Limited	535.84	-
Total	**535.84**	**-**
Recovery of expenses:		
JSW Energy Limited	0.46	1.27
Total	**0.46**	**1.27**
Purchase of Equity Share:		
JSW Cement FZE	14.82	0.28
Total	**14.82**	**0.28**

Transactions during the Year	For the year ended 31st March 2018	For the year ended 31st March 2017
Share Application Money:		
JSW Cement FZE	4.01	10.12
Total	**4.01**	**10.12**
Loan given		
JSW Global Business Solutions Limited	0.76	1.79
JSW Sports Limited	68.75	-
Shiva Cement Limited	124.03	5.73
	193.54	**7.52**
Loan Given- Received Back		
JSW Global Business Solutions Limited	0.55	-
JSW Techno Projects Management Limited	20.00	-
Total	**20.55**	**-**

Compensation to Key Management Personnel

₹ crores

Nature of transaction	FY 2017-18	FY 2016-17
Short-term employee benefits**	6.65	5.82
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total Compensation to Key Management Personnel	**6.65**	**5.82**

1. **Amount includes ESOP from JSW Infrastructure Limited amounting to ₹0.76 crores.
2. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

Terms and Conditions

Sales :

The sales to related parties are in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31st March 2018, the Company has not recorded any loss allowances of trade receivable from related parties.

Purchases:

The purchases from related parties are in the ordinary course of business. Purchase transactions are based on normal commercial terms and market rates.

Loan to Related Party:

a) **Loan to subsidiary**

The Company had given loans to subsidiaries for general corporate purposes. The loan balances as at 31st March 2018 was amounting ₹129.76 crores. These loans are unsecured and carry an interest rate 10.75% per annum, and repayable within two years.

b) **Loans to other related parties:**

The Company had given loans to subsidiaries for general corporate purposes. The loan balances as at 31st March, 2018 was amounting ₹72.50 crores. These loans are unsecured and carry an interest rate 9.50% to 11% per annum and within one to three years.

Lease rent paid to related party :

For Vijaynagar Plant - Lease rent paid to JSW Steel Limited Vijaynagar works towards construction on lease land under sub-lease agreements, for 150 Acres of land situated at Tornagallu village, District Bellary Karnataka at an annual rent of ₹0.60 crores.

For Dolvi Plant - Lease rent paid to JSW Steel Limited, Dolvi Works towards construction, for 20.55 Acres of land situated at Dolvi, District Raigad, Maharashtra at an annual rent of ₹1.94 crores.

c) **Closing balances:**

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Trade Payables:			
JSW Steel Limited	10.02	35.89	48.12
JSW Energy Limited	3.39	1.93	1.97
JSoft Solutions Limited	0.66	0.66	0.66
South - West Mining Limited	1.59	0.07	1.05
Amba River Coke Limited	-	1.56	3.89
JSW Power Trading Co. Limited	0.19	-	-
JSW Steel (Salav) Limited	-	-	0.53
JSW Bengal Steel Limited	1.08	2.25	-
JSW Global Business Solutions Limited	0.68	1.39	-
Art India Publishing Company Private Limited	0.03	-	-
JSW Cement FZE	3.51	-	-
Tranquil Homes & Holding Private Limited	0.04	0.06	-
Total	**21.19**	**43.81**	**56.22**
Deposit Given			
JSW Bengal Steel Limited	2.50	-	-
JSW IP Holdings Private Limited	0.10	-	-
Total	**2.60**	**-**	**-**

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advances Given :			
JSW Steel Coated Products Limited	-	0.31	-
JSW Power Trading Company Limited	2.19	2.55	-
Amba River Coke Limited	0.20	-	-
JSW Bengal Steel Limited	0.90	-	-
JSW Dharamtar Port Private Limited	0.56	-	-
JSW International Tradecorp PTE Limited	-	12.69	-
Descon Limited	0.10	-	-
Total	**3.95**	**15.55**	**-**
Trade Receivables:			
JSW Steel Limited	13.01	5.02	-
JSW Steel Coated Products Limited	2.07	1.11	0.04
JSW Energy Limited	0.12	0.05	0.15
JSW Jaigarh Port Limited	0.02	-	0.10
Dolvi Coke Project Limited	4.59	4.66	0.02
JSW Techno Projects Management Limited	0.85	1.39	0.20
JSW Dharamtar Port Private Limited	1.08	1.01	0.62
JSW Paints Private Limited	0.57	-	-
Total	**22.31**	**13.24**	**1.13**
Advance received from Customer			
Amba River Coke Limited	-	0.03	-
Total	**-**	**0.03**	**-**
Creditors for Capital Expenditure			
JSW Steel Limited	25.20	25.20	25.20
Total	**25.20**	**25.20**	**25.20**
Investments held by the Company			
JSW Energy Limited	15.39	13.29	14.70
Shiva Cement Limited	162.26	143.07	-
JSW Steel Limited	10.95	7.13	4.87
JSW Cement FZE	14.82	0.28	-
Total	**203.42**	**163.77**	**19.57**

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Capital Advances Given			
JSW Bengal Steel Limited	-	-	0.25
JSW Steel Limited	-	-	0.92
Total	**-**	**-**	**1.17**
Advance given for Equity			
JSW Cement FZE	4.01	10.12	-
Total	**4.01**	**10.12**	**-**
Other Receivables			
JSW Steel Limited	3.00	2.00	-
Total	**3.00**	**2.00**	**-**
Loan given			
JSW Techno Projects Management Limited	-	20.00	20.00
JSW Global Business Solutions Limited	3.75	3.54	1.75
Shiva Cement Limited	129.76	5.73	-
JSW Sports Limited	68.75	-	-
Total	**202.26**	**29.27**	**21.75**
Interest receivable on Loan given			
JSW Techno Projects Management Limited	-	3.34	2.99
JSW Global Business Solutions Limited	0.11	0.27	0.02
Shiva Cement Limited	9.15	0.01	-
JSW Sports Limited	0.43	-	-
Total	**9.69**	**3.62**	**3.01**

j) Operating Lease:

Lease rentals charged to statement of profit and loss for right to use following assets are:

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Office premises, residential flats etc.	5.86	4.42
Total	**5.86**	**4.42**

The Company has executed agreements with renewable clause for a period of one to two years and has provision for termination at will by either party giving a prior notice period of 1 to 6 months.

k) Income Tax Expense:

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on 1st April 2017 and ending on 31st March 2018. For each fiscal year, the respective entities 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 2017-18 is 21.34%. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

₹ crores

Particulars	For the year ended	
	31st March 2018	**31st March 2017**
Current Tax:		
Current Tax	22.56	45.52
Reversal pertaining to earlier year	0.50	0.31
Deferred Tax:		
Deferred Tax (Asset) / Liability	15.49	96.29
Minimum Alternate Tax Credit Entitlement	(23.06)	(45.83)
Total Deferred Tax	**(7.57)**	**50.46**
Total Tax Expense	**15.49**	**96.29**

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows: **₹ crores**

Particular	For the year ended	
	31st March 2018	**31st March 2017**
Profit before tax	106.18	210.41
Applicable tax rate	34.608%	34.608%
Computed Tax Expense	**36.75**	**72.82**
Tax Effect of:		
Additional allowance	(51.39)	(10.97)
Expense not deductible in determining taxable profit	6.55	0.45
Effect of tax pertaining to prior year	0.50	0.31
others	(2.06)	0.79
Total Tax Effect	**(46.40)**	**(9.42)**
Deferred tax on account of		
Property, Plant & Equipment & Other Intangible Asset.	26.17	3.15
Unabsorbed losses reversal	-	32.15
Financial Assets, Liabilities and Other Item	(1.03)	(2.40)
Deferred Tax	**25.14**	**32.90**
Tax Expense Recognised in Statement of Profit and Loss	**15.49**	**96.29**
Effective Tax Rate	**14.59%**	**45.77%**

Deferred Tax Assets / Liabilities

Significant component of deferred tax assets/(liabilities) recognised in the financial statements are as follows:

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017
Deferred Tax (Liability)/ Asset (Net)	(70.78)	(53.34)
MAT Credit entitlement	85.71	62.71
Balance at the end of the year	**14.93**	**9.37**

Deferred Tax Comprises of timing differences on account of:

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017
Deferred Tax Liabilities		
Depreciation	(314.09)	(238.19)
Revaluation of borrowing & payable for capital project	(1.14)	(2.07)
Total	**(315.24)**	**(240.26)**
Deferred Tax Assets		
Expense allowable on payment basis	7.50	7.40
Provision for doubtful debts	0.16	0.17
Unabsorbed depreciation and business loss	236.79	179.35
Total	**244.45**	**186.92**
Deferred Tax Asset/ (Liability) (net)	**(70.78)**	**(53.34)**

Movement in MAT Credit Entitlement

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017
Balance at the beginning of the year	62.71	16.88
Add: MAT credit entitlement availed during the year	22.50	45.52
Less: Reversal of MAT credit entitlement	-	-
Add: MAT credit pertaining to earlier year	0.50	0.31
Balance at the end of the year	**85.71**	**62.71**

Company expects to utilise 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.

l) Remuneration to Auditors

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Audit Fees		
Statutory Audit	0.25	0.23
Tax Audit	0.05	0.03
Certification & Out of pocket expenses	0.02	0.07
Total	**0.32**	**0.33**

m) Earnings Per Share (EPS):

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i. Profit attributable to Equity holders of Company

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Profit attributable to equity holders of the Company:	90.69	114.12
Profit attributable to equity holders of the Company for basic earnings	90.69	114.12
Interest on Convertible preference shares	-	-
Interest on Convertible debentures	-	-
Others	-	-
Profit attributable to equity holders of the Company adjusted for the effect of dilution	**90.69**	**114.12**

ii. **Weighted average number of ordinary shares**

Particulars	31st March 2018	31st March 2017
Issued ordinary shares at April 1	450,511,700	450,511,700
Effect of shares issued for cash	168,826,468	-
Effect of shares issued as Bonus shares	-	-
Effect of share options exercised	-	-
Effect of shares issued to related business combinations	-	-
Effect of shares bought back during the year	-	-
Weighted average number of shares at 31st March for basic EPS	**619,338,168**	**450,511,700**

iii. **Effect of dilution**

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Share Application Money	-	-
Convertible preference shares	-	-
Convertible debentures	-	-
Weighted average number of shares at March 31	**619,338,168**	**450,511,700**

iv. **Basic and diluted earnings per share**

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Basic earnings per share	1.46	2.53
Diluted earnings per share	1.46	2.53

n) **Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act**

₹ crores

Particulars	Party	2017-18		2016-17		2015-16	
		Max amount O/s during the year	Closing Balance	Max amount O/s during the year	Closing Balance	Max amount O/s during the year	Closing Balance
Loan given	JSW Techno Projects Management Limited	-	-	20.00	20.00	20.00	20.00
	JSW Global Business Solutions Private Limited	4.3	3.75	3.54	3.54	1.75	1.75
	Shiva Cement Limited	129.76	129.76	5.73	5.73	-	-
	JSW Sports	68.75	68.75	-	-	-	-
Total		**202.81**	**202.26**	**29.27**	**29.27**	**21.75**	**21.75**
Investments	JSW Energy Limited	-	2.42	-	2,42	-	2.42
	Shiva Cement Limited	-	162.26	-	143.07	-	-
	JSW Cement FZE	-	14.82	-	0.28	-	-
Total		**-**	**179.50**	**-**	**145.77**	**-**	**2.42**

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

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017
Amount required to be spent as per Section 135 of the Act	-	-
Amount spend during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	3.01	2.52
Total	**3.01**	**2.52**

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

₹ crores

Sr. No.	Particulars	As on 31st March 2018	As on 31st March 2017
1	Principal amount due outstanding as at 31st March	1.57	4.09
2	Interest due on (1) above and unpaid as at 31st March	-	-
3	Interest paid to the supplier	-	-
4	Payments made to the supplier beyond the appointed day during the year	-	2.44
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid as at 31st March	-	0.05
7	Amount of further interest remaining due and payable in succeeding year	-	-

q) Previous year figures have also been reclassified/ regrouped, wherever necessary, to conform to current year's classification.

As per our attached report of even date

For **Shah Gupta & Co.**
Chartered Accountants
F.R.N. 109574W

For and on behalf of the Board of Directors

Heneel K Patel
Partner
Membership No.: 114103

Nirmal Kumar Jain
Chairman
DIN - 00019442

Parth Jindal
Managing Director
DIN - 06404506

Place: Mumbai
Date: 8th May 2018

Rahul Dubey
Company Secretary

Narinder Singh Kahlon
Chief Financial Officer

35. First Time Adoption IND AS Adoption Reconciliations

a. Reconciliations of Balance Sheet

₹ crores

	Note	As at 31st March 2017			As at 1st April 2016		
		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS							
Non-current assets							
(a) Property, plant and equipment	1,9	1,513.58	(13.58)	1,500.00	1,297.60	(8.56)	1,289.04
(b) Capital work-in-progress	9	653.37	(8.10)	645.27	239.49	-	239.49
(c) Other intangible assets	9	13.45	(3.87)	9.58	0.49	8.93	9.42
(d) Financial assets							
(i) Investments	2,3	155.73	8.41	164.14	12.39	7.52	19.91
(ii) Loans	1,5	6.43	-	6.43	1.75	-	1.75
(iii) Other financial assets	1	47.54	-	47.54	-	-	-
(e) Deferred tax assets(net)	6	-	9.37	9.37	42.64	17.38	60.02
(f) Income tax assets (net)		0.25	-	0.25	7.20	-	7.20
(g) Other non-current assets	1,10	67.44	8.17	75.61	70.51	4.16	74.67
Total non-current assets		**2,457.79**	**0.40**	**2,458.19**	**1,672.07**	**29.43**	**1,701.50**
Current assets				-			
(a) Inventories		157.78	-	157.78	137.26	-	137.26
(b) Financial assets							
(i) Trade receivables	12	128.98	(0.14)	128.84	81.12	(0.12)	81.00
(ii) Cash and cash equivalents	1,3	121.20	-	121.20	17.96	-	17.96
(iii) Bank balances other than (ii) above	1	0.02	-	0.02	0.02	-	0.02
(iv) Loans	1,5	54.74	-	54.74	21.76	-	21.76
(v) Other financial assets	1	20.00	-	20.00	4.06	-	4.06
(c) Current tax assets (net)		62.72	(62.72)	-	16.88	(16.88)	-
(c) Other current assets	4	182.92	0.52	183.44	61.62	-	61.62
Total current assets		**728.36**	**(62.34)**	**666.02**	**340.68**	**(17.00)**	**323.68**
Total assets		**3,186.15**	**(61.94)**	**3,124.21**	**2,012.77**	**12.43**	**2,025.18**

₹ crores

	Note	As at 31st March 2017			As at 1st April 2016		
		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
EQUITY AND LIABILITIES							
Equity							
(a) Equity Share Capital	1	450.51	-	450.51	450.51	-	450.51
(b) Other Equity		96.77	3.32	100.09	(27.52)	4.60	(22.92)
Total equity		**547.28**	**3.32**	**550.60**	**422.99**	**4.60**	**427.59**
Non current liabilities							
(a) Financial Liabilities							
(i) Borrowings	1,4	1,493.61	(7.20)	1,486.41	968.11	(4.03)	964.08
(ii) Other financial liabilities	1,9	65.83	(5.23)	60.60	25.20	(4.90)	20.30
(b) Provisions	9	17.57	6.20	23.77	3.79	17.75	21.54
(c) Deferred tax liabilities (Net)	1,6	55.03	(55.03)	-	-	-	-
Total non-current liabilities		**1,632.04**	**(61.26)**	**1,570.78**	**997.10**	**8.82**	**1,005.92**
Current liabilities							
(a) Financial Liabilities							
(i) Borrowings		222.43	-	222.43	33.55	-	33.55
(ii) Trade payables	1	341.43	-	341.43	268.66	-	268.66
(iii) Other financial liabilities	1,4	390.54	(4.00)	386.54	246.68	(1.01)	245.67
(b) Other current liabilities	1	50.18	-	50.18	43.79	-	43.79
(c) Provisions	1	2.25	-	2.25	-	-	-
Total current liabilities		**1,006.83**	**(4.00)**	**1,002.83**	**592.68**	**(1.01)**	**591.67**
Total liabilities		**2,638.87**	**(65.26)**	**2,573.61**	**1,589.78**	**7.81**	**1,597.59**
Total Equity and Liabilities		**3,186.15**	**(61.94)**	**3,124.21**	**2,012.77**	**12.41**	**2,025.18**

b. Reconciliation of total comprehensive income for the year ended 31st March, 2017

₹ crores

Particulars	Note	As at 31st March 2017		
		Amount as per Previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
I. Revenue				
Revenue from operations	11	1584.48	1.65	1,586.13
Less: excise duty	7	171.34	(171.34)	-
Revenue from operations (net)		**1413.14**	**172.99**	**1586.13**
Other income		91.64	-	91.64
Total revenue		**1504.78**	**172.99**	**1677.77**
II. Expenses				
Cost of raw material consumed		180.45	-	180.45
Purchases of stock-in-trade		21.39	-	21.39
Changes in inventories of finished goods, semi finished goods and stock-in-trade		(10.30)	-	(10.30)
Employee benefits expense	8	90.13	(0.31)	89.82
Finance costs	4	129.71	4.42	134.13
Depreciation and amortization expense		54.59	(1.01)	53.58
Power and fuel		242.47	-	242.47
Freight and handling expenses		370.98	-	370.98
Less: Captive consumption		(7.00)	-	(7.00)
Excise duty expense	7	-	171.34	171.34
Other expenses	10,11	218.49	2.01	220.50
Total Expenses		**1,290.91**	**176.45**	**1467.36**
V. Profit Before Tax		**213.87**	**(3.46)**	**210.41**
VI. Tax expense:				
Current tax		45.52	-	45.52
Earlier year tax provision		0.31	-	0.31
Deferred tax	6	97.67	(1.38)	96.29
Less: Minimum Alternate Tax Credit Entitlement		(45.83)	-	(45.83)
VII. Profit for the year		**116.20**	**(2.08)**	**114.12**
Other comprehensive income	13			
(net of deferred tax)		-	0.37	0.37
Total comprehensive income for the year		**116.20**	**(1.71)**	**114.49**

c. Effects of IND AS adoption on Total Equity

₹ crores

	Note	As at 31st March 2017	As at 1st April 2016
Net Worth under IGAAP		**547.29**	**422.99**
Movement of equity		**4.60**	
Amortisation of Incidental expenses on long term debts	4	(0.11)	5.04
Fair Valuation of investment in equity shares of JSW Energy Ltd	2	0.88	7.52
Deferred taxes	6	1.16	0.49
Depreciation and amortisation	9	0.78	0.48
Discounting of long term capital creditors	9	(2.32)	
Other IND AS adjustments	12	(0.01)	(0.12)
Mines restoration charges	9	(1.67)	(8.81)
Net Worth under IND AS		**550.60**	**427.59**

d. Effects of IND-AS adoption on Cash Flows for year ended 31st March 2017

₹ crores

Particulars	Amount as per previous GAAP	Effects of transition to IND AS	Amount as per IND AS
Net cash generated from/(used in) operating activities	253.34	(15.21)	238.13
Net cash generated from/(used in) investing activities	(756.80)	22.95	(733.85)
Net cash generated from/(used in) financing activities	606.56	(7.59)	598.97
Net increase/(decrease) in cash and cash equivalents	**103.10**	**0.15**	**103.25**
Cash and cash equivalents at start of year/period	17.98	-	17.98
Cash and cash equivalents at close of year/period	**121.08**	**0.15**	**121.23**

Notes:

1. To comply with the Companies (Accounting Standard) Rules, 2006, certain account balances have been regrouped as per the format prescribed under Division II of Schedule III to the Companies Act, 2013.

2. **Fair valuation of investments:**

   Certain equity investments (other than investments in subsidiaries, joint ventures and associates) have been measured at fair value through other comprehensive income (FVTOCI).

   The difference between the fair value and previous GAAP carrying value on transition date has been recognized as an adjustment to opening retained earnings / separate component of other equity.

3. **Look through approach for employee welfare trust**

   Employee welfare trust formed to administer,manage and implement various incentive and benefit plan/ schemes for the company employees. It is financed through interest free loan by the Company. It has been consolidated on line by line basis adjusting the difference, if any, into opening retained earnings.

4. **Financial liabilities and related transaction costs:**

   Borrowings and other financial liabilities which were recognized at historical cost under previous GAAP have been recognized at amortised cost under Ind AS with the difference been adjusted to opening retained earnings.

   Under previous GAAP, transaction costs incurred in connection with borrowings were amortised equally over the tenure of the borrowings. Under Ind AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged over the tenure of borrowing using the effective interest method.

   Difference in the un-amortised borrowing cost as per Ind AS and previous GAAP on transition date has been adjusted to the cost of asset under construction or opening retained earnings, as applicable.

5. **Financial assets at amortised cost:**

   Certain financial assets held on with an objective to collect contractual cash flows in the nature of principal and interest have been recognized at amortised cost on transition date as against historical cost under the previous GAAP with the difference been adjusted to the opening retained earnings.

6. **Deferred tax as per balance sheet approach:**

   Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also lead to recognition of deferred taxes on new temporary differences.

7. **Excise duty:**

   Under previous GAAP, revenue from sale of goods was presented net of excise duty whereas under Ind AS the revenue from sale of goods is presented inclusive of excise duty. The excise duty is presented on the face of the Statement of Profit and Loss as part of expenses.

8. **Defined benefit liabilities:**

   Under Ind AS, Remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined liability, are recognized in other comprehensive income instead of profit or loss in previous GAAP.

9. Property, plant and equipment:

As per paragraph 23 of IND AS 16, The cost of an item of property, plant and equipment is the cash price equivalent at the recognition date. If payment is deferred beyond normal credit terms, the difference between the cash price equivalent and the total payment is recognised as interest over the period of credit unless such interest is capitalised in accordance with Ind AS 23

As per Appendix A to Ind AS 16, the cost of an item of property, plant and equipment includes the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

10. Operating lease rentals

Under IGAAP, Leasehold Land were classified as Fixed Assets as the standard on leases excluded Land. However, as per Ind AS 17, where the substantial risks and rewards incidental to ownership of an asset has not been transferred in the name of Company, the Company has classified such land under Operating Leases. The amount paid towards such leases has been shown as Prepayments under Other noncurrent assets.

11. Revenue from operations

Under IGAAP, cash discounts and other discounts directly attributable to sales was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended 31st March 2018.

12. Trade receivable

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

13. Other comprehensive income:

Under Ind AS, all items of income and expense recognized in the period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss and "other comprehensive income" includes remeasurements of defined benefit plans and fair value gain or losses on FVTOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

Independent Auditor's Report

TO THE MEMBERS OF JSW CEMENT LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of JSW CEMENT LIMITED (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind-AS financial statements").

Management's responsibility for the Consolidated Ind AS financial statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind-AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated change in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind-AS 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 Ind-AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind-AS financial statements based on our audit. In conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We have conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind-AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated Ind-AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind-AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind-AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2018, and their consolidated profit, consolidated total comprehensive income, consolidated statement of changes in equity and their consolidated cash flows for the year then ended.

Other Matters

The consolidated Ind AS financial statements includes 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 Ind AS financial statements reflect total assets of ₹24.4 crores as at 31st March 2018, total revenues of ₹Nil crores and net cash flows amounting to ₹2.97 crores for the period 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 Ind AS 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 consolidated Ind AS 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 financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of section 143 of the Act, based on our audit, we report, to the extent applicable, that:
    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Consolidated Statement of Changes in Equity and Consolidated Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
    (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
    (e) On the basis of the written representations received from the directors of the Parent as on 31st March 2018 taken on record by the Board of Directors of the Parent, none of the directors of the Parent is disqualified as on 31st March 2018 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent's and its subsidiary incorporated in India.
    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
        i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 34a to the consolidated Ind AS financial statements;
        ii. The Group did not have any long-term contracts including derivative contracts as at 31st March 2018 for which there were any material foreseeable losses; and
        iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary incorporated in India; and

For **SHAH GUPTA & CO.**
Chartered Accountants
F. R. N. : 109574W

Heneel K Patel
Partner
M.No.114103

Place: Mumbai
Dated: 8th May, 2018

Annexure A
To The Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JSW Cement Limited of even date)

In conjunction with our audit of the consolidated Ind-AS financial statements of the Company as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of JSW Cement Limited (herein referred to as "the Parent") & its subsidiary incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent & its subsidiary company, which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 internal financial controls over financial reporting of the Parent, its subsidiaries, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under sub-section 10 of section 143 of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent & its subsidiary company incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent & its subsidiary incorporated in India have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **SHAH GUPTA & CO.**
Chartered Accountants
F. R. N. : 109574W

Heneel K Patel
Partner
M.No.114103

Place: Mumbai
Dated: 8th May, 2018

Consolidated Balance Sheet

As At 31st March, 2018

₹ crores

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
I ASSETS				
Non-current assets				
(a) Property, plant and equipment	4	2,403.91	1,500.00	1,289.04
(b) Capital work-in-progress	4.6	453.42	650.65	239.49
(c) Other Intangible assets	4 A	19.45	9.58	9.42
(d) Goodwill		214.01	-	-
(e) Financial assets				
(i) Investments	5	26.73	160.23	19.91
(ii) Loans	6	100.31	6.43	1.75
(iii) Other financial assets	7	48.14	47.54	-
(f) Deferred tax assets(net)	8	30.84	9.37	60.02
(g) Income tax assets (net)	9	6.03	0.25	7.20
(h) Other non-current assets	10	141.94	75.64	74.67
Total non-current assets		**3,444.78**	**2,459.69**	**1,701.50**
Current assets				
(a) Inventories	11	229.37	157.78	137.26
(b) Financial Assets				
(i) Trade receivables	12	168.21	128.84	81.00
(ii) Cash and cash equivalents	13	207.80	125.95	17.96
(iii) Bank balances other than (ii) above	14	86.73	0.02	0.02
(iv) Loans	6	28.85	54.74	21.76
(v) Other financial assets	7	16.08	9.87	4.06
(c) Other current assets	10	263.33	183.54	61.62
Total current assets		**1,000.37**	**660.74**	**323.68**
Total assets		**4,445.15**	**3,120.43**	**2,025.18**
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	15	986.35	450.51	450.51
(b) Other equity	16	263.59	95.98	(22.92)
Equity attributable to owners of the Company		**1,249.94**	**546.49**	**427.59**
(c) Non controlling interest		23.60	-	-
Total equity		**1,273.54**	**546.49**	**427.59**
Liabilities				
(a) Financial liabilities				
(i) Borrowings	17	1,754.77	1,486.41	964.08
(ii) Other financial liabilities	18	28.30	60.60	20.30
(b) Provisions	19	30.98	23.77	21.54
Total non-current liabilities		**1814.05**	**1,570.78**	**1,005.92**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	20	304.55	222.43	33.55
(ii) Trade payables	21	506.36	341.73	268.66
(iii) Other financial liabilities	22	503.24	386.56	245.67
(b) Other current liabilities	23	43.25	50.19	43.79
(c) Provisions	19	0.16	2.25	-
Total current liabilities		**1,357.56**	**1,003.16**	**591.67**
Total equity and liabilities		**4,445.15**	**3,120.43**	**2,025.18**

See accompanying notes to the Consolidated Financial statement

As per our attached report of even date

For **Shah Gupta & Co.**

Chartered Accountants
F.R.N. 109574W

Heneel K Patel
Partner
Membership No.: 114103

Place: Mumbai
Date: 8th May 2018

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN - 00019442

Parth Jindal
Managing Director
DIN - 06404506

Rahul Dubey
Company Secretary

Narinder Singh Kahlon
Chief Financial Officer

Consolidated Statement of Profit and Loss

For The Year Ended 31st March 2018

₹ crores

	Particulars	Note No.	For the year ened 31st March 2018	For the year ened 31st March 2017
I	**Revenue from operations**	24	1,661.73	1,586.13
II	**Other income**	25	31.97	91.62
III	Gain arising from remeasurement of previously held equity interest in subsidiary (refer note 34s)		98.40	-
IV	**Total Income (I + II + III)**		**1,792.10**	**1,677.75**
V	**Expenses**			
	Cost of raw material consumed	26	221.44	180.45
	Purchases of stock-in-trade	27	10.07	21.39
	Changes in inventories of finished goods, semi finished and stock-in-trade	28	(2.48)	(10.30)
	Employee benefits expense	29	99.32	89.82
	Excise duty expense		51.39	171.34
	Power and fuel		299.00	242.47
	Freight and handling expenses		393.66	370.97
	Other expenses	30	271.36	220.53
			1,343.76	**1,286.67**
	Less: Captive consumption		(5.04)	(7.00)
	Total Expenses (V)		**1,338.72**	**1,279.67**
VI	**Earnings before interest, tax, depreciation and amortisation (EBITDA) (IV - V)**		**453.38**	**398.08**
VII	Finance costs	31	197.67	134.11
VIII	Depreciation and amortization expense	32	81.14	53.58
IX	**Profit before exceptional items and tax (VI - VII - VIII)**		**174.57**	**210.39**
X	**Exceptional Items**		**10.12**	**-**
XI	**Profit before tax (IX - X)**		**164.45**	**210.39**
XII	**Total tax expenses**	34	**6.69**	**96.29**
XIII	**Profit for the year (XI - XII)**		**157.76**	**114.10**
XIV	**Share of loss in Associate**		(7.93)	(3.63)
XV	**Total Profit for the year (XIII - XIV)**		**149.83**	**110.47**
XVI	**Other comprehensive income**			
	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the defined benefit plans		(0.34)	(0.31)
	(b) Equity instruments through other comprehensive income		5.95	0.88
	ii) Income tax relating to items that will not be reclassified to profit or loss		(1.94)	(0.20)
	Total (XVI)		**3.67**	**0.37**
XVII	ii) Items that will be reclassified to profit or loss			
	(a) Changes in Foreign Currency Monetary Item translation difference account(FCMITDA)		(0.03)	(0.44)
	ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total (XVII)		**(0.03)**	**(0.44)**
XVIII	**Total Other comprehensive income (XV + XVI + XVII)**		**153.47**	**110.40**
	Earnings per equity share (face value of ₹ 10/- each)	34n		
	- Basic		2.42	2.45
	- Diluted		2.42	2.45

See accompanying notes to the Consolidated Financial statement

As per our attached report of even date

For **Shah Gupta & Co.**
Chartered Accountants
F.R.N. 109574W

Heneel K Patel
Partner
Membership No.: 114103

Place: Mumbai
Date: 8th May 2018

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN - 00019442

Parth Jindal
Managing Director
DIN - 06404506

Rahul Dubey
Company Secretary

Narinder Singh Kahlon
Chief Financial Officer

Consolidated Statement of Changes in Equity (Socie)

For The Period Ended 31st March 2018

(A) Equity Share Capital

₹ crores

Particulars	Total
Balance at 01st April, 2016	**450.51**
Changes in equity share capital during the year	-
Balance at 31st March, 2017	**450.51**
Changes in equity share capital during the year	535.84
Balance at 31st March, 2018	**986.35**

(B) Other equity

₹ crores

Particulars	Reserves & Surplus							Items of Other comprehensive income		Total
	Retained earnings	Foreign currency translation reserve	Legal reserve	Share option out standing reserve 190.5	Capital reserve	Securities premium	Non Controlling interest	Remeasurements of the net defined benefit Plans	Equity instruments through other comprehensive income	
Balance at 01st April 2016	**(22.92)**	-	-	- 266.7	-	-	-	-	-	**(22.92)**
Profit for the year	110.47	-	-	-	-	-	-	-	-	110.47
Other comprehensive income for the year	(0.01)	-	-	-	-	-	-	(0.20)	0.57	0.36
Total comprehensive income for the year	**87.54**	-	-	-	-	-	-	**(0.20)**	**0.57**	**87.91**
Share-based payments	-	-	-	8.51	-	-	-	-	-	8.51
Other reserve	-	(0.44)	-		-	-	-	-	-	(0.44)
Balance at 31st March 2017	**87.54**	**(0.44)**	-	**8.51**	-			**(0.20)**	**0.57**	**95.98**
Addition during the year	149.83	-	-	-	-	-	-	-	-	149.83
Transfer to legal reserve	(0.02)	-	0.02	-	-	-	-	-	-	-
Business combination	(17.26)	-	-	-	8.12	52.07	(5.48)	(0.05)	(14.21)	23.19
Share issue expenses	(0.54)	-	-	-	-	-	-	-	-	(0.54)
Reversal of share based payments	-	-	-	(8.51)	-	-	-	-	-	(8.51)
Other comprehensive income for the year	0.01	(0.04)	-		-	-	-	(0.22)	3.89	3.64
Total comprehensive income for the year	**132.02**	**(0.04)**	**0.02**	**(8.51)**	**8.12**	**52.07**	**(5.48)**	**(0.27)**	**(10.32)**	**167.61**
Balance at 31st March 2018	**219.56**	**(0.47)**	**0.02**	-	**8.12**	**52.07**	**(5.48)**	**(0.47)**	**(9.75)**	**263.59**

As per our attached report of ever date

For **Shah Gupta & Co.**
Chartered Accountants
F.R.N. 109574W

Heneel K Patel
Partner
Membership No.: 114103

Place: Mumbai
Date: 8th May 2018

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN - 00019442

Parth Jindal
Managing Director
DIN - 06404506

Rahul Dubey
Company Secretary

Narinder Singh Kahlon
Chief Financial Officer

Consolidated Cash Flow Statement

For The Year Ended 31st March 2018

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	**174.57**	**210.39**
Adjustments for:		
Interest income	(15.11)	(7.93)
Dividend on long-term investments	(0.19)	(0.45)
Gain on sale of current investments	(3.47)	(0.54)
Write back of excess provision	(1.35)	(1.36)
Government incentive	(7.77)	(77.74)
Unrealised foreign exchange loss (net)	(2.29)	3.57
Depreciation and amortisation expense	81.14	53.58
Interest costs on borrowings	197.67	134.11
Operating profit before working capital changes	**423.20**	**313.63**
Movements in Working Capital:		
Increase in trade receivables	(39.38)	(47.84)
Increase in inventories	(71.58)	(20.53)
Increase in loans & advances*	(24.76)	(30.14)
Increase in financial assets	(3.57)	(49.52)
(Increase) / decrease in other assets*	(49.21)	8.93
Increase in trade payables	168.28	70.86
Increase in other liabilities*	54.92	39.96
Cash used in operations	**457.90**	**285.35**
Direct taxes paid (net)	(31.03)	(36.63)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**426.87**	**248.72**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment including capital advances	(887.14)	(593.31)
Interest received	11.87	4.10
Investment in associate & subsidiary	(84.78)	(143.93)
Dividend on long-term investments	0.19	0.45
Proceed from sale of current investments	3.45	0.51
Loan given to related party	(43.23)	(7.52)
NET CASH USED IN INVESTING ACTIVITIES	**(999.64)**	**(739.70)**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of equity share capital	535.84	-
Proceeds from long-term borrowings	2,250.30	596.57
Proceeds from short-term borrowings	82.13	188.87
Repayment of long-term borrowings	(1,927.22)	(51.01)
Interest paid on borrowings	(199.72)	(135.46)
NET CASH GENERATED FROM FINANCING ACTIVITIES	**741.33**	**598.97**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B +C)	**168.56**	**107.99**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**125.97**	**17.98**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR [Refer Note 13 & 14]	**294.53**	**125.97**
*** Includes current/ non-current**		

Notes:

1. The Cash Flow Statement has been prepared under the" indirect method"as set out in IND AS 7 - Statement of Cash Flows

As per our attached report of even date

For **Shah Gupta & Co.**
Chartered Accountants
F.R.N. 109574W

Heneel K Patel
Partner
Membership No.: 114103

Place: Mumbai
Date: 8th May 2018

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN - 00019442

Parth Jindal
Managing Director
DIN - 06404506

Rahul Dubey
Company Secretary

Narinder Singh Kahlon
Chief Financial Officer

Notes To Consolidated Financial Statements

For The Year Ended 31st MARCH 2018

1. General Information

JSW Cement Limited ("the Parent Company") its Subsidiaries and an Associate 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 and trading of allied products.

2. Significant Accounting Policies

I. Statement of Compliances

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 08th May 2018.

For all periods up-to and including the year ended 31st March 2017, the group prepared its Consolidated Financial Statements in accordance with the requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the first Ind-AS Consolidated Financial Statements of the group. The date of transition to Ind-AS is 1st April 2016. Refer note 2(XXIV) below for the details of first-time adoption exemptions availed by the group.

II. Basis of preparation and presentation

In accordance with the notification issued by the Ministry of Corporate Affairs, the group is required to prepare its Consolidated Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended with effect from 01st April 2017. Accordingly, the group has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31st March 2018, and accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "Financial Statements").

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these 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.

III. Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved where the 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 Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the 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 Other Comprehensive Income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

IV. Business Combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

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

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

V. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

VI. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The group recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when significant risks and rewards of ownership pass to the customer. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable. Revenue from sale of by-products are included in revenue.

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. Leasing - Operating Lease

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As lessee

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the lease term unless either:

a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Arrangements in the nature of lease

Lease agreements, comprising a transaction or series of related transactions, that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Group applies the requirements of Appendix C of Ind AS 17 - Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 17 - Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements on the basis of their relative fair values.

VIII. Foreign Currency Transactions

The functional currency of the Group and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Group is Indian Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

a. exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

b. exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements upto 31st March 2016 prepared under previous GAAP, are capitalized as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss.

IX. Borrowing Costs

Borrowing costs attributable to the acquisition and construction of qualifying assets, are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

The Group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

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

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.

Government Grant relating to tangible fixed assets are treated as deferred income and released to Statement of Profit and Loss over the expected useful lives of the assets concerned

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

XI. Employee Benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the group in respect of services provided by employees up to the reporting date.

XII. Employee Share based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 34.

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 profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

XIII. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the group will pay normal Income Tax during the specified period.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they are related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

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 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 Statement of Profit and Loss.

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

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS i.e. 01st April 2016, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Capital work in progress

Assets in the course of construction are shown as Capital Work-in-progress ("CWIP") for capitalisation and includes cost of material consumed, erection charges thereon along with other related expenses incurred for the projects. Expenditure attributable to fixed assets are identified and allocated on a systematic basis to the cost of related assets. Interest during construction and expenditure (net) allocated to construction are apportioned to CWIP on the basis of the closing balance of specific assets or part of asset being capitalised. The balance if any, left after such capitalisation is kept as a separate item under CWIP schedule. Claims for price variation/ escalation in case of contracts are accounted for on acceptance of claims.

Apart from costs related directly to the construction of an asset, indirect expenses incurred up-to the date of commencement of commercial production which are incidental and related to construction are capitalized as part of the construction cost. Income, if any, earned during the construction period is reduced from the indirect costs.

At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

Depreciation and amortisation

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Sr. No.	Nature of Assets	Useful life of assets
1	Plant and Machinery	2 to 55 years
2	Factory Building	30 - 65 years
3	Non-Factory Building	3 to 65 years

Depreciation on additions to fixed assets is provided on a pro-rata basis from the date of installation and in the case of a new project from the date of commencement of commercial production. Depreciation on deductions / disposals is provided on pro-rata basis upto the date of deduction/disposal.

Spares, servicing equipment and standby equipment, which are capitalised, are depreciated over the useful life of the related fixed asset. The written down value of such spares is charged to 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 amortised over the term of the lease.

Capital assets whose ownership does not vest with the Group are amortised based on the estimated useful life as follows:

Sr. No.	Nature of Assets	Useful life of assets
1	Switching substation	35 years
2	Railway Siding	15 years
3	Road	5- 25 years

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

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

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the Intangible Assets are as follows.

Sr. No.	Nature of Assets	Useful life of assets
1	Software	3 years
2	Mines development expense	Period of mining lease

For transition to Ind AS, the Group has elected to continue with carrying value of all its intangible assets recognised as of 01st April 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

XVI. Impairment of Property, Plant and Equipment and Intangible Assets

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 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:

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

ii. Semi finished goods 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.

iii. Waste/Scrap inventory is valued at net realisable value.

iv. Obsolete, defective and unserviceable stock is duly provided for wherever applicable.

v. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XVIII. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a liable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

XIX. Investment in Subsidiaries and Associates

Investment in subsidiaries and associates are shown at cost. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

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

A. **Financial Assets**

a) **Recognition and initial measurement**

The 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 Other Comprehensive Income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned 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 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 OCI to 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 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 Statement of Profit or Loss. The net gain or loss recognized in Statement of Profit or Loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The 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 other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the 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 other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

d) Impairment

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

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

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

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

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

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

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

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

e) Effective interest method

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

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

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a 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 Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c) Financial liabilities

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

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

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

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

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

The 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 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 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 Goup reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

e) Hedge accounting

The 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 profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognized in profit or loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

XXI. Cash and Cash Equivalent:

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

XXII. Earnings Per Share

Basic EPS is computed by dividing the net profit or loss after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

XXIII. Mines Restoration Provision

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs arising from restoration at closure of the mines and other site preparation work are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimate and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

XXIV. First Time Adoption - mandatory exceptions, optional exemption

Overall principle

The Group has prepared the opening Standalone Consolidated Balance Sheet as per Ind AS as of 1st April, 2016 (the transition date) by,

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company group as detailed below. Since, the financial statements are the first financial statements, the first time adoption-mandatory exceptions and optional exemptions have been explained in detail.

a. Share based payment transactions

The Group has availed the exemption of not applying Ind AS 102- Share based payment to equity instruments that vested before date of transition to Ind AS.

b. Deemed cost for property, plant and equipment and intangible assets including capital work in progress and intangible assets under development

The Group has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets including capital work in progress and intangible assets under development recognised as of 01st April 2016 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

c. Deemed cost for investments in subsidiaries and associates

The Group has elected to continue with the carrying value of all of its investments in subsidiaries, and associates recognised as of 01st April 2016 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

d. Determining whether an arrangement contains a lease

The Group has opted to apply the Appendix C of Ind AS 17 - determining whether an arrangement contains a Lease, to determine whether the arrangements existing as on the transition date contains a lease, on the basis of facts and circumstances existing as at the transition date.

e. De-recognition of financial assets and financial liabilities

The Group has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 01st April 2016 (the transition date).

f. Designation of previously recognised financial instruments

The Group has designated financial liabilities and financial assets at fair value through profit or loss and investments in equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

g. Impairment of financial assets

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

3. Key Sources of Estimation Uncertainty and Recent Accounting Pronouncement

In the course of applying the policies outlined in all notes under section 2 above, the group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

A) Key Sources of Estimation Uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives depend upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

ii) Impairment of investments in subsidiaries and associates

Determining whether the investments in subsidiaries, associates are impaired requires an estimate in the value in use of investments. In considering the value in use, Management have anticipated the future commodity prices, capacity utilization of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

iii) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iv) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

v) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility

vi) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

vii) Mines restoration obligation

In determining the fair value of the Mines restoration obligation, assumptions and estimates are made in relation to mining reserve, discount rates, the expected cost of mines restoration and the expected timing of those costs.

viii) Defined benefits plans

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

B) Recent Accounting Pronouncements

IND-AS 115 - Revenue from Contracts with Customers:

On 28th March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers effective from 01st April 2018. The core principle of the new standard is that an entity should recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset.

IND AS 21 - Foreign currency transactions and advance consideration

On 28th March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 effective from 1st April 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

Amendments to Ind AS 12

Amendments to Ind AS 12, Income Taxes clarifying the requirements for recognising deferred tax assets on unrealised losses. The amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. They also clarify certain other aspects of accounting for deferred tax assets. These amendments only clarify the existence of guidance of Ind AS 12 and do not change the underlying principles for recognition of deferred tax asset.

Amendment to Ind AS 28 and Ind-AS 112

Amendment to Ind AS 28, Investments in associates and joint ventures and Ind AS 112, Disclosure of Interests in Other Entities clarifying that:

- Disclosure requirements of Ind AS 112 are applicable to interest in entities classified as held for sale except for summarised financial information
- The option available with venture capital organisation, mutual funds, unit trust and similar entities to measure their investment in associates or joint ventures at Fair Value through Profit or Loss (FVTPL) is available for each investment in an associate or joint venture.

Consequential amendments to other Ind AS due to notification of Ind-AS 115 and other amendments discussed above.

The management is yet to assess the impact of the aforesaid amendments on the Group's financial information.

Note 4 Property, Plant and Equipment

₹ crores

Description of assets	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Computers	Office Equipment	Vehicle	Pollution Control Equipment	Electrical equipments	220 KV Switching station	External road	Railway siding	Total Property, plant and equipment
I. Cost / Deemed cost													
Balance as at 1 April, 2016	31.15	217.97	1,014.47	1.14	0.46	0.63	1.17	-	-	16.36	-	5.69	1,289.04
Additions	1.24	42.75	217.54	0.09	0.75	0.88	0.26	-	-	-	-	0.91	264.42
Deductions	-	-	-	-	(0.01)	-	(0.22)	-	-	-	-	-	(0.23)
Balance as at 31 March, 2017	**32.39**	**260.72**	**1,232.01**	**1.23**	**1.20**	**1.51**	**1.21**	**-**	**-**	**16.36**	**-**	**6.60**	**1,553.23**
Additions	-	213.02	526.73	0.79	0.91	1.53	1.54	-	-	-	84.06	11.66	840.23
Acquisition through Business Combination*	4.26	17.67	119.39	0.62	0.25	0.06	0.33	1.09	5.83	-	-	-	149.50
Deductions	-	-	-	-	-	(0.01)	(0.32)	-	-	-	-	-	(0.33)
Balance as at 31 March, 2018	**36.65**	**491.41**	**1,878.13**	**2.64**	**2.36**	**3.09**	**2.76**	**1.09**	**5.83**	**16.36**	**84.06**	**18.26**	**2,542.64**
II. Accumulated depreciation													
Balance as at 1 April, 2016	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation expense for the year	-	3.62	47.56	0.21	0.30	0.26	0.20	-	-	0.53	-	0.57	53.25
Eliminated on disposal of assets	-	-	-	-	-	-	(0.02)	-	-	-	-	-	(0.02)
Balance as at 31 March, 2017	**-**	**3.62**	**47.56**	**0.21**	**0.30**	**0.26**	**0.18**	**-**	**-**	**0.53**	**-**	**0.57**	**53.23**
Depreciation expense for the year	-	6.21	60.15	0.26	0.49	0.37	0.34	-	-	1.11	3.36	0.25	72.54
Acquisition through Business Combination*	-	1.65	10.13	0.31	0.07	-	0.14	0.08	0.67	-	-	-	13.05
Eliminated on disposal of assets	-	-	-	-	-	(0.02)	(0.07)	-	-	-	-	-	(0.09)
Balance as at 31 March, 2018	**-**	**11.48**	**117.84**	**0.78**	**0.86**	**0.61**	**0.59**	**0.08**	**0.67**	**1.64**	**3.36**	**0.82**	**138.73**
Carrying value													
Balance as at 31 March, 2018	**36.65**	**479.93**	**1,760.29**	**1.86**	**1.50**	**2.48**	**2.17**	**1.01**	**5.16**	**14.72**	**80.70**	**17.44**	**2,403.91**
Balance as at 31 March, 2017	32.39	257.10	1,184.45	1.02	0.90	1.25	1.03	-	-	15.83	-	6.03	1,500.00
Balance as on 31st March 2016	31.15	217.97	1,014.47	1.14	0.46	0.63	1.17	-	-	16.36	-	5.69	1,289.04
Useful life of the assets (years in range)	NA	3-65	2-55	5-10	3-6	5-10	8-10	5-25	10-25	35	25	15	-
Method of depreciation / amortization	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	-

* Includes balance acquired on acquisition of subsidiary

4.1 Asset include Gross Block of ₹592.04 crores (previous year ₹164.51 crores) constructed on lease land under sub-lease agreements with JSW Steel Limited, for 150 acres of land situated at Tornagallu village, District Bellary Karnataka at an annual rent of ₹0.60 crores.

4.2 Asset include Gross Block of ₹165.45 crores (previous year ₹162.91 crores) constructed on lease land under lease agreements with JSW Steel Limited, for 20.55 Acres of land situated at Dolvi, District Raigad, Maharshatra at an annual rent of ₹1.94 crores.

4.3 Additions to Plant & Machinery includes adjustment of ₹71.28 crores on account of finance cost

4.4 Company has recognised Mining Rights as required under IND AS 16 Property, Plant & Equipment for decommissioning liability to be incurred towards mines restoration expenditure, for deriving the cost of the asset company has discounted the value over the lease period of the mines.

4.5 Property, plant and equipment include assets with net block of ₹112.86 crores (previous year ₹21.86 crores) not owned by the company

4.6 Capital work in progress includes finance cost ₹0.33 crores (As at 31st March 2017: ₹32.09 crores)

4.7 Capital assets whose ownership does not vest with the Company are amortised based on the estimated useful life.

4.8 Certain property, plant and equipment are pledged against borrowing, the detail relating to which have been described in note 17

4.9 The land at kalunga and the land at Teleghana on which factories have been built were taken on 90 years lease from Industrial Development Corporation of Odissa.

4.10 The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer Note below for the gross block value and the accumulated depreciation on 01st April 2016 under the previous GAAP.

₹ crores

Description of Assets	Free hold Land	Building	Plant & Machinery	Furniture and Fixtures	Computers	Office Equipment	Vehicle	Pollution Control Equipment	Electrical Equipments	220 KV Switching station	Railway siding	Total Property, plant and equipment
I. Gross block												
Balance as at 1st April 2016	31.15	238.52	1,230.78	2.01	2.88	2.01	1.63	-	-	18.16	7.44	1,534.58
II. Accumulated depreciation												
Balance as at 1st April 2016	-	20.55	216.31	0.87	2.42	1.38	0.46	-	-	1.80	1.75	245.54
Net block treated as deemed cost upon transition	31.15	217.97	1,014.47	1.14	0.46	0.63	1.17	-	-	16.36	5.69	1,289.04

Note 4A Other Intangible Assets

₹ crores

Description of Assets	Software	Stripping Cost	Mining Rights	Total Intangible Assets
I. Cost / Deemed cost				
Balance as at 1st April 2016	0.49	-	8.93	9.42
Additions	0.49	-	-	0.49
Deductions	-	-	-	-
Balance as at 31st March 2017	**0.98**	**-**	**8.93**	**9.91**
Additions of Subsidiary Company	0.53	10.18	0.23	10.94
Additions	0.54	-	-	0.54
Deductions	(0.35)	-	-	(0.35)
Balance as at 31st March 2018	**1.70**	**10.18**	**9.16**	**21.04**
II. Accumulated amortisation				
Balance as at 1st April 2016	-	-	-	-
Amortisation expense for the year	0.21	-	0.12	0.33
Eliminated on disposal of assets	-	-	-	-
Balance as at 31st March 2017	**0.21**	**-**	**0.12**	**0.33**
Amortisation expense for the year	0.50	-	0.16	0.66
Acquisition through Business Combination*	0.16	0.68	-	0.84
Eliminated on disposal of assets	(0.24)	-	-	(0.24)
Balance as at 31st March 2018	**0.63**	**0.68**	**0.28**	**1.59**
Carrying value				
Balance as at 31st March, 2018	**1.07**	**9.50**	**8.88**	**19.45**
Balance as at 31st March 2017	0.77	-	8.81	9.58
Balance as on 1st April 2016	0.49	-	8.93	9.42
Useful life of the assets (years in range)	3	20	50	-
Method of amortization	SLM	SLM	SLM	-

4.11 The Company has availed the deemed cost exemption in relation to the other intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer Note below for the gross block value and the accumulated amortisation on 1st April 2016 under the previous GAAP.

₹ crores

Description of Assets	Software	Stripping Cost	Mining Rights	Total Intangible Assets
I. Gross block				
Balance as at 1st April 2016	6.61	-	9.76	16.37
II. Accumulated amortisation				
Balance as at 1st April 2016	6.12	-	0.83	6.95
Net block treated as deemed cost upon transition	**0.49**	**-**	**8.93**	**9.42**

5. Investments (Non Current)

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(A) Investment in Equity Instruments			
Quoted- others (At fair value through OCI)			
JSW Energy Limited (31st March 2017 : 2,114,610; 1st April 2016 : 2,114,610) 2,114,610 of ₹10 each fully paid-up	15.39	13.29	14.70
JSW Steel Limited (31st March 2017 : 3,80,000; 1st April 2016 : 3,80,000) 3,80,000 of ₹10 each fully paid-up	10.95	7.13	4.87
Quoted - Associate (at Cost or deemed cost)			
Shiva Cement Limited	-	143.07	-
31st March, 2017 - 96,337,806 of ₹10 each fully paid-up			
Less: Share of loss for the year	-	(3.63)	-
Investment in Mutual fund			
Quoted - Others (At fair value through OCI)			
JM High Liquidity Fund - Growth	0.39	0.37	0.34
Investment in government or trust securities			
(Unquoted - valued at amortised cost)			
National Saving Certificate - Pledged with Commercial Taxes Department ₹3,000 (31st March 2017 : ₹3000 ; 1st April 2016 : ₹3000)	0.00	0.00	0.00
Total	**26.73**	**160.23**	**19.91**
Quoted			
Aggregate book value	26.73	160.23	19.91
Aggregate market value	26.73	201.64	19.91
Unquoted			
Aggregate carrying value	-	-	-
Investment at cost	-	139.44	-
Investment at fair value through other **comprehensive income**	26.73	20.79	19.91

On 30th June 2017, Company acquired control over Shiva Cement limited (associate company 49.4% equity stake) through acquisition of additional 4.12% of equity shares.

6. Loans

₹ crores

Particulars	Non-Current			Current		
	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Unsecured considered good						
Security deposits	2.15	-	-	2.13	2.14	1.58
Loans to:						
- Related parties *	72.50	3.54	1.75	-	25.73	20.00
- Other body corporates	25.66	2.89	-	26.25	26.25	-
Advance to employees	-	-	-	0.47	0.62	0.18
Total	**100.31**	**6.43**	**1.75**	**28.85**	**54.74**	**21.76**

* for business purpose

7. Other Financial Assets

₹ crores

Particulars	Non-Current			Current		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Interest receivable on loan to related party	-	-	-	6.92	3.93	3.18
Interest receivable others	-	-	-	4.10	3.85	0.78
Rent receivable	-	-	-	5.00	2.00	-
Claims receivable	-	-	-	0.06	0.08	0.10
Term deposit with remaining maturity of more than 12 months	48.14	47.54	-	-	-	-
Total	**48.14**	**47.54**	**-**	**16.08**	**9.87**	**4.06**

8. Deferred Tax (Liabilities) / Asset (Net)

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Deferred tax asset (net)	(59.16)	(53.34)	43.14
MAT Credit entitlement	90.00	62.71	16.38
Total	**30.84**	**9.37**	**60.02**

9. Income Tax Assets (net)

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advance tax and tax deducted at source (net of provision for tax 31st March 2018 : ₹56.32 crores, 31st March 2017 : ₹79.28 crores and 1st April 2016 : ₹50.64 crores)	6.03	0.25	7.20
Total	**6.03**	**0.25**	**7.20**

10. Other Assets

₹ crores

Particulars	Non-Current			Current		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Capital advances	83.64	42.91	47.36	-	-	-
Advance to suppliers	-	-	-	68.05	13.13	15.58
Cenvat receivable	-	-	-	-	73.07	31.02
GST receivable	-	-	-	82.28	-	-
Prepaid expenses	13.00	-	-	9.27	7.33	0.89
Security deposits	30.25	24.56	23.15	2.09	-	-
Leasehold land prepayments	15.05	8.17	4.16	-	-	-
Other receivables	-	-	-	101.64	90.01	14.13
Total	**141.94**	**75.64**	**74.67**	**263.33**	**183.54**	**61.62**

11. Inventories (at lower of Cost and Net Realisable Value)

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Raw materials (includes stock in transit ₹26.90 Crore 31st March, 2017 : Nil; as at 1st April, 2016 : ₹0.79 crores) (at cost)	68.98	21.57	22.62
Semi finished goods	28.31	28.05	19.71
Finished goods	24.82	18.16	11.62
Stock-in-trade	3.49	-	-
Stores and spares (includes stock in transit ₹ NIL, 31st March 2017: ₹ Nil; as at 1st April, 2016 : ₹0.65 crores)	79.13	60.34	63.57
Fuel (includes stock in transit ₹0.56 Crore 31st March 2017: ₹ Nil; as at 1st April, 2016 : ₹8.15 crores)	24.64	29.66	19.74
Total	**229.37**	**157.78**	**137.26**

Inventories have been pledged as security against certain bank borrowings of the company as at 31st March 2018 (refer note 20)

11.1 Cost of Inventory Recognised as an Expense

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017
Cost of material consumed	221.44	180.46
Changes in inventories of finished goods, semi finished goods and stock in trade	(2.48)	(10.30)
Stores and spares	23.60	22.34
Fuel	131.81	96.17
Total	**374.37**	**288.67**

12. Trade Receivables

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Secured, considered good	50.57	56.12	40.04
Unsecured, considered good (refer note 34)	117.64	72.72	40.96
Considered doubtful	1.09	0.48	0.60
Less: allowance for doubtful debts	(1.09)	(0.48)	(0.60)
Total	**168.21**	**128.84**	**81.00**

Trade receivable are secured by the funds received from Del credere agent (refer note 22)

Trade receivables have been pledged as security against certain bank borrowings of the company as at 31st March 2018 (refer note 20)

13. Cash and Cash Equivalent

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with banks in current account	207.73	23.87	17.92
Cash on hand	0.07	0.06	0.04
Balance in Escrow account *	-	102.02	-
Total	**207.80**	**125.95**	**17.96**

* Escrow account was opened for open offer for purchase of equity in subsidiary

14. Bank Balances Other than Cash and Cash Equivalent

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Other bank balances			
Term deposit with original maturity of more than 3 month but less than 12 months at inception	86.73	0.02	0.02
Total	**86.73**	**0.02**	**0.02**

15. Equity Share Capital

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Authorised Capital			
1,250,000,000 (31st March 2017: 1,000,000,000; 1st April 2016: 1,000,000,000) Equity shares of ₹10 each	1,250.00	1,000.00	1,000.00
25,000,000 (31st March 2017: 50,000,000 ; 1st April 2016: 50,000,000) Preference shares of ₹100 each	250.00	500.00	500.00
Issued, Subscribed & Fully Paid Up Capital			
986,352,230 (31st March 2017: 450,511,700; 1st April 2016 : 450,511,700) Equity shares of ₹10 each fully paid up	986.35	450.51	450.51
	986.35	**450.51**	**450.51**

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

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
	No. of Shares	NO. of Shares	No. of Shares
Equity shares at the beginning of the year	450,511,700	450,511,700	450,511,700
Add: Fresh issue of shares during the year	535,840,530	-	-
Equity shares at the end of the year	**986,352,230**	**450,511,700**	**450,511,700**

Rights, preferences and restrictions attached to equity shares

Equity Shares: The Company has a single class of of ordinary equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

During the year the Company has issued and alloted 535,840,530 equity shares of ₹10 each (at par) to Adarsh Advisory Service Private Limited as approved by Finance Committe in their meeting held on 7th December 2017.

15.2 Details of aggregate shareholding by holding company

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Adarsh Advisory Services Private Limited - Holding Company 893,067,550 (31st March 2017 : 357,227,020) Equity Shares of ₹10 each	893.07	357.23	-
JSW Investment Private Limited - Holding company alongwith its nominee shareholders (01st April 2016: 323,192,496) Equity Shares of ₹10 each-	-	323.19	

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

₹ crores

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Equity shareholding						
Adarsh Advisory Services Private Limited - Holding company	893,067,550	90.54	357,227,020	79.29	-	-
JSW Investment Private Limited alongwith its nominees	-	-	41,590,226	9.23	323,192,496	71.76
JSW Logistics Infrastructure Private Limited	-	-	-	-	75,550,000	16.77
Danta Enterprises Private Limited	-	-	26,000,000	5.77	26,000,000	5.77

16. Other Equity

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
apital reserve	8.12	-	-
Securities premium account	52.07	-	-
Legal Reserve	0.02	-	-
Foreign Currency Translation Reserve	(0.48)	(0.44)	-
Retained earning	219.56	87.54	(22.92)
Share option outstanding reserve	-	8.51	-
Other comprehensive income:			
Remeasurements of the net defined benefit Plans	(0.47)	(0.20)	-
Equity instruments through other comprehensive income	(9.75)	0.57	-
Non controlling interest	(5.48)	-	-
Total	**263.59**	**95.98**	**(22.92)**

As per IND AS 19 employee benefits gain or loss on account of remeasrurement of the defined benefit liabilities/ assets have been realised through other comprehensive income.

17. Non Current Borrowings

₹ crores

Particulars	Non-Current			Current		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Term Loans						
Secured						-
From banks	1,763.84	1,493.61	968.11	129.94	73.33	50.10
Less: Unamortised upfront fees on borrowings	(9.07)	(7.20)	(4.03)	(2.90)	(1.01)	(1.01)
Total	**1,754.77**	**1,486.41**	**964.08**	**127.04**	**72.32**	**49.09**

Rupee Term Loan from Banks (Secured)

₹ crores

As on 31st March 2018		As on 31st March 2017		As at 1st April 2016			Terms of
Non-current	Current	Non-current	Current	Non-current	Current	Repayment	Security
590.99	45.76	636.71	45.76	682.46	45.76	13 quarterly instalment of ₹11.44 crores each from 01.07.2018 to 01.07.2021, 4 quarterly instalment of ₹13.34 crores each from 01.10.2021 to 01.07.2022, 4 quarterly instalment of ₹30.50 crores each from 01.10.2022 to 01.07.2023, 4 quarterly instalment of ₹38.13 crores each from 01.10.2023 to 01.07.2024, 4 quarterly instalment of ₹40.03 crores each from 01.10.2024 to 01.07.2025	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future movebale fixed assets of the company
333.55	52.75	384.90	24.57	285.65	4.34	3 quarterly instalment of ₹10.55 crores each from 14.04.2018 to 14.10.2018, 4 quarterly instalment of ₹21.11 crores each from 14.01.2019 to 14.10.2019, 4 quarterly instalment of ₹27.02 crores each from 14.01.2020 to 14.04.2020	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed company assets of the and by way of deed of hypothecation on present and future movebale fixed assets of the company
720.19	-	415.00	-	-	-	4 quarterly instalment of ₹ 18.00 crores each from 30.09.2019 to 30.06.2020, 4 quarterly instalment of ₹19.80 crores each from 30.09.2020 to 30.06.2021, 4 quarterly instalment of ₹23.41 crores each from 30.09.2021 to 30.06.2022, 4 quarterly instalment of ₹27.01 crores each from 30.09.2022 to 30.06.2023, 12 quarterly instalment of ₹30.61 crores each from 30.09.2023 to 30.06.2026	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future movebale fixed assets of the company
19.70	19.70	-	-	-	-	Annual Instalment of ₹19.70 crores each on 30.10.2018 & 30.10.2019	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 movebale fixed assets of the company
99.43	11.72	57.00	3.00	-	-	4 quarterly instalment of ₹2.93 crores from 09.06.2018 to 09.03.2019, 20 quarterly instalment of ₹4.97 crores each from 09.06.2019 to 09.03.2024	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future movebale fixed assets of the company
1,763.84	**129.94**	**1,493.61**	**73.33**	**968.11**	**50.10**		

18. Other Financial Liabilities

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Payable for capital projects	28.30	60.60	20.30
Total	**28.30**	**60.60**	**20.30**

Acceptances include credit availed by the company from banks for payment to suppliers for capital items purchased by the company. The arrangements are interest bearing and are payable within one year.

19. Provisions

₹ crores

Particulars	Non-Current			Current		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Provision for employee benefits :						
Gratuity	2.62	1.20	1.62	0.14	-	-
Leave encashment	5.01	3.62	2.56	0.02	-	-
Less: Transferred to other current liabilities	(0.52)	(0.35)	(0.39)	-	-	-
Provision for taxation	-	-	-	-	2.25	-
Mines Restoration Expenditure	23.87	19.30	17.75	-	-	-
Total	**30.98**	**23.77**	**21.54**	**0.16**	**2.25**	**-**

20. Current Borrowings

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Secured loans			
Loan repayable on demand			
- from bank -working capital loan	304.55	222.43	33.55
Total	**304.55**	**222.43**	**33.55**

20.1 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 along with other working capital lenders.

21. Trade Payable

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Acceptances	177.19	64.09	35.76
Other than acceptances	329.17	277.64	232.90
Total	**506.36**	**341.73**	**268.66**

Acceptances include credit availed by the company from banks for payment to suppliers for raw material purchased by the company. The arrangements are interest bearing and are payable within one year. Refer note 34q for disclosure under Micro, Small and Medium enterprises Development Act.

22. Other Financial Liabilities

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current maturities of long-term borrowing (Refer Note 17)	127.04	72.32	49.09
Interest accrued but not due on borrowings	0.53	2.58	3.93
Payable for capital projects			
- Acceptances	68.05	133.72	37.46
- other than acceptances	165.92	67.13	67.19
Security deposit from customers	89.94	54.69	47.96
Del credre finance payable	50.57	56.12	40.04
Others	1.19	-	-
Total	**503.24**	**386.56**	**245.67**

Acceptances include credit availed by the company from banks for payment to suppliers for capital items purchased by the company. The arrangements are interest bearing and are payable within one year.

23. Other Current Liabilities

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current dues of long-term employee benefits	0.52	0.35	0.39
Advances from customers	2.73	9.75	17.40
Statutory liabilities	39.37	38.53	24.94
Other payables	0.63	1.56	1.06
Total	**43.25**	**50.19**	**43.79**

24. Revenue from Operations

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Sale of Products		
Finished goods	1,630.57	1,551.12
Traded	21.53	25.63
Other operating income :		
Scrap sales	9.63	9.38
Revenue from operations	**1,661.73**	**1,586.13**

25. Other Income

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Interest income from loan to related party	2.97	2.26
Interest income from others	12.14	5.67
Dividend income from long term investments	0.19	0.45
Profit on sale of current investments	3.47	0.54
Profit on sale of property, plant and equipment	-	0.38
Write back of excess provision	1.35	1.36
Government Incentive	7.77	77.73
Miscellaneus Income	4.08	3.23
Total	**31.97**	**91.62**

26. Cost of Raw Material Consumed

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Inventory at the beginning of the year *	22.28	22.62
Add : Purchases	268.14	179.41
Less: Inventory at the end of the year	68.98	21.58
Total	**221.44**	**180.45**

* Includes 0.71 crore (previous year (NIL)) of Shiva Cement Limited.

26.1 Details of raw material consumed

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Clinker	61.44	36.67
Lime Stone	37.42	19.98
Granulated Blast Furnace Slag	47.84	62.30
Iron Ore & Laterite	14.71	16.38
Gypsum	19.85	7.34
Others	10.02	23.65
Ordinary Portland Cement (OPC)	30.16	14.13
Total	**221.44**	**180.45**

27. Purchase of Stock in Trade

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Granulated Blast Furnace Slag	2.08	7.92
Cement	0.17	-
Clinker	-	13.18
Limestone	7.82	-
Packing Bag	-	0.29
Total	**10.07**	**21.39**

28. (Increase)/ Decrease in Inventories of Finished Goods, Semi Finished Goods

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Inventories at the beginning of the year*		
Finished goods	22.41	11.62
Semi finished goods	28.45	19.71
Total	**50.86**	**31.33**
Trial run stock		
Finished goods	3.13	-
Semi finished goods	0.28	-
Total	**3.41**	**-**
Inventories at the end of the year		
Finished goods	28.31	18.16
Semi finished goods	28.04	28.05
Total Inventories at end of the year*	**56.35**	**46.21**
	(2.08)	**(14.88)**
Excise duty on stock of finished goods (net)	(0.40)	4.58
Total	**(2.48)**	**(10.30)**

* includes ₹2.71 crores (previous year (NIL)) in opening stock and ₹0.26 crores (previous year (NIL)) in closing stock pertaining to Shiva Cement Limited.

29. Employee Benefits Expense

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Salaries and wages	99.29	75.73
Employee Stock Option Expense	(7.01)	8.51
Contributions to provident fund and other funds (refer note 34)	4.09	2.75
Gratuity expense (Refer note 34)	0.87	0.82
Staff welfare expenses	2.08	2.01
Total	**99.32**	**89.82**

30. Other Expense

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Consumption of stores and spares	23.60	22.34
Packing Cost	48.66	44.45
Repairs and maintenance expenses:		
- Repairs to buildings	1.56	2.65
- Repairs to machinery	23.79	18.16
- Others	2.05	0.97
Rent	6.24	4.41
Rates and taxes	3.64	6.53
Insurance	3.06	2.01
Legal & professional	13.30	13.66
Advertisement & publicity	60.01	37.44
Commission on sales	23.37	21.12
Rebates & discounts	19.72	14.17
Selling & distribution expenses	3.66	4.23
Branding fees	1.58	1.06
Director's commission	1.06	1.71
Auditors remuneration (Refer note 34)	0.37	0.33
Loss on sale of property, plant & equipment	0.39	-
Postage & telephone	1.16	1.27
Printing & stationery	0.60	0.28
Travelling expenses	14.89	10.47
Corporate social responsibility expense	3.01	2.52
Software and IT related expenses	1.89	3.98
Directors sitting Fees	0.08	-
General expenses	13.67	6.77
Total	**271.36**	**220.53**

31. Finance Costs

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Interest expenses	172.49	121.81
Unwinding of interest of financial liabilities at amortised cost	15.26	4.42
Other borrowing cost	9.92	7.88
Total	**197.67**	**134.11**

Other borrowing cost includes interest paid to securities deposits received from dealers, ancilliary cost incured 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.

32. Depreciation and Amortization Expense

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Depreciation on property, plant and equipment	75.10	52.15
Depreciation of asset constructed on property not owned by company	4.71	1.10
Amortization of intangible assets	1.33	0.33
Total	**81.14**	**53.58**

33 Financial Instruments

A. Capital Risk Management

The objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity. The Company's capital requirement is mainly to fund its capacity expansion and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the asset and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments.

₹ crores

Particulars	31st March 2018	31st March 2017	1st April 2016
Long term borrowings	1,754.77	1,486.41	964.08
Current maturities of long term debt	127.04	72.32	49.09
Short term borrowings	304.55	222.43	33.55
Less: Cash and cash equivalent	(207.80)	(125.95)	(17.96)
Less: Bank balances other than cash and cash equivalents	(86.73)	(0.02)	(0.02)
Less: Current investment	-	-	-
Net Debt	1,891.83	1,655.19	1,028.74
Total Equity	1,249.94	546.49	427.59
Gearing ratio	1.51	3.03	2.41

B. Categories of Financial Instruments

₹ crores

Particulars	31st March 2018		31st March 2017		1st April 2016	
	Carrying Values	Fair Value	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets						
Measured at amortised cost						
Cash and cash equivalents	207.80	207.80	125.95	125.95	17.96	17.96
Bank balances other than cash and cash equivalents	86.73	86.73	0.02	0.02	0.02	0.02
Trade receivables	168.21	168.21	128.84	128.84	81.00	81.00
Loans	129.16	129.16	61.17	61.17	23.51	23.51
Non current investments						
Other financial assets	64.22	64.22	57.41	57.41	4.06	4.06
Total financial assets at amortised cost (A)	**656.12**	**656.12**	**373.39**	**373.39**	**126.55**	**126.55**
Measured at fair value through other comprehensive income						
Non current investments	26.73	26.73	20.79	20.79	19.91	19.91
Total financial assets at at fair value through other comprehensive income (B)	**26.73**	**26.73**	**20.79**	**20.79**	**19.91**	**19.91**
Total Financial assets (A+B)	**682.85**	**682.85**	**394.18**	**394.18**	**146.46**	**146.46**
Financial liabilities						
Measured at amortised cost						
Long term borrowings #	1,881.81	1,881.81	1,558.73	1,558.73	1,013.18	1,013.18
Short term borrowings	304.55	304.55	222.43	222.43	33.55	33.55
Trade payable	506.36	506.36	341.73	341.73	268.66	268.66
Other financial liabilities	404.51	404.51	374.84	374.84	216.87	216.87
Total financial liabilities at amortised cost	**3,097.23**	**3,097.23**	**2,497.73**	**2,497.73**	**1,532.26**	**1,532.26**

including current maturities of long term debt

C. Risk Management Framework

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

D. Financial Risk Management

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

- Market risk
- Credit risk ; and
- Liquidity risk

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates. The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

Interest rate risk

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

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the company's profit for the year ended 31 March 2018 would decrease / increase by ₹4.38 crores (for the year ended 31st March 2017: decrease/ increase by ₹6.85 crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

ii. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

Trade receivables

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an individual credit limits defined in accordance with the assessment. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. No single customer accounted for 10.0% or more of revenue in any of the years indicated. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

₹ crores

Ageing	**0 to 6**	**6 to 12 Months**	**More Than 12 Months**	**Total Months**
Gross Carrying Amount	158.86	9.13	0.97	168.96
Expected Loss rate %	0	3	41	
Expected credit Losses (Losses allowance provision)	0.05	0.30	0.40	0.75
Carrying amount of trade receivables (net of impairment)	158.81	8.83	0.57	168.21

Cash and cash equivalents, derivatives : Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. The Company's maximum exposure to the credit risk for the components of balance sheet as 31st March 2018, 31st March 2017 and 31st March 2016 is the carrying amounts mentioned in Note no 13.

Loans and investment

The Company's centralised treasury function manages the financial risks relating to the business. The treasury function focusses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits assigned for each of the counterparty. The limits are set to minimise the concentration of risks and therefore mitigate the financial loss through counter party's potential failure to make payments.

iii. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Liquidity exposure as at 31st March 2018

₹ crores

Particulars	Contractual cash flows			
	< 1 year	1-5 year	> 5 years	Total
Financial Assets				
Cash and cash equivalents	207.80	-	-	207.80
Bank balances other than cash and cash equivalents	86.73	-	-	86.73
Trade receivables	168.21	-	-	168.21
Loans	28.85	100.31	-	129.16
Non current investments	-	-	26.73	26.73
Other financial assets	16.08	48.14	-	64.22
Total Financial Assets	**507.67**	**148.45**	**26.73**	**682.85**
Financial Liabilities				
Long term borrowings	-	999.12	755.65	1,754.77
Short term borrowings	304.55	-	-	304.55
Trade payable	506.36	-	-	506.36
Other financial liabilities	503.24	28.30	-	531.54
Total Financial Liabilities	**1,314.15**	**1,027.42**	**755.65**	**3,094.22**

Liquidity exposure as at 31st March 2017

₹ crores

Particulars	Contractual cash flows			
	< 1 year	1-5 year	> 5 years	Total
Financial Assets				
Cash and cash equivalents	125.95	-	-	125.95
Bank balances other than cash and cash equivalents	0.02	-	-	0.02
Trade receivables	128.84	-	-	128.84
Loans	54.74	6.43	-	61.17
Non current investments	-	-	20.79	20.79
Other financial assets	9.87	47.54	-	57.41
Total Financial Assets	**319.42**	**53.97**	**20.79**	**394.18**
Financial liabilities				
Long term borrowings	-	912.53	573.88	1,486.41
Short term borrowings	222.43	-	-	222.43
Trade payable	341.73	-	-	341.73
Other financial liabilities	386.56	60.60	-	447.16
Total Financial Liabilities	**950.72**	**973.13**	**573.88**	**2,497.73**

Liquidity exposure as at 1st April 2016

₹ crores

Particulars	Contractual cash flows			
	< 1 year	1-5 year	> 5 years	Total
Financial Assets				
Cash and cash equivalents	17.96	-	-	17.96
Bank balances other than cash and cash equivalents	0.02	-	-	0.02
Trade receivables	81.00		-	81.00
Loans	21.76	1.75	-	23.51
Non current investments	-	-	19.91	19.91
Other financial assets	-	4.06	-	4.06
Total Financial Assets	**120.74**	**5.81**	**19.91**	**146.46**
Financial liabilities				
Long term borrowings	-	964.08	-	964.08
Short term borrowings	33.55	-	-	33.55
Trade payable	268.66	-	-	268.66
Other financial liabilities	245.67	20.30	-	265.97
Total Financial Liabilities	**547.88**	**984.38**	**-**	**1,532.26**

Collateral

The Company has pledged part of its trade receivables, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered.

Level wise disclosure of financial instruments

₹ crores

Particulars	31st March 2018	31st March 2017	1st April 2016	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial Assets :					
Investment in Equity Shares measured at FVTOCI		15.39	13.29	Level 1	Quoted Bid Prices in an active market.
Loans to related parties and intercorporate loans	124.41	58.41	21.75	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.

Financial Liabilities :					
Forward Contract		(0.12)	-	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Borrowing	2,059.32	1,708.84	997.63	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.

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

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

iv Foreign currency risk management

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's costs of imports, primarily in relation to raw materials and capital assets . The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency. In order to hedge exchange rate risk, the Company has a policy to hedge its payable up to a specific tenure using forward exchange contracts.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency exposure as at 31st March 2018

₹ crores

Particulars	USD	EURO	AED	INR	Total
Financial Assets					
Cash and cash equivalents	-	-	1.78	206.02	207.80
Bank balances other than cash and cash equivalents	-	-	-	86.73	86.73
Trade receivables	-	-	-	168.21	168.21
Loans	-	-	-	129.16	129.16
Non current investments	-	-	-	26.73	26.73
Other financial assets	0.42	-	-	63.80	64.22
Total Financial Assets	**0.42**	**-**	**1.78**	**680.65**	**682.85**
Financial Liabilities					
Long term borrowings	-	-	-	1,754.77	1,754.77
Short term borrowings	-	-	-	304.55	304.55
Trade payable	97.18	0.19	7.88	401.11	506.36
Other financial liabilities	16.58	45.33	1.50	468.13	531.54
Total Financial Liabilities	**113.76**	**45.52**	**9.38**	**2,928.57**	**3,097.22**

Currency exposure as at 31st March 2017

₹ crores

Particulars	USD	EURO	AED	INR	Total
Financial Assets					
Cash and cash equivalents	-	-	4.74	121.21	125.95
Bank balances other than cash and cash equivalents	-	-	-	0.02	0.02
Trade receivables	-	-	-	128.84	128.84
Loans	-	-	-	61.17	61.17
Non current investments	-	-	-	160.23	20.79
Other financial assets	-	-	-	57.41	57.41
Total Financial Assets	**-**	**-**	**4.74**	**528.86**	**533.61**
Financial Liabilities					
Long term borrowings	-	-	-	1,486.41	1,486.41
Short term borrowings	-	-	-	222.43	222.43
Trade payable	65.37	0.04	0.30	276.02	341.73
Other financial liabilities	16.54	84.10	0.02	346.50	447.16
Total Financial Liabilities	**81.91**	**84.14**	**0.32**	**2,331.36**	**2,497.73**

Currency exposure as at 1st April 2016

₹ crores

Particulars	USD	EURO	AED	INR	Total
Financial Assets					
Cash and cash equivalents	-	-	-	17.96	17.96
Bank balances other than cash and cash equivalents	-	-	-	0.02	0.02
Trade receivables	-	-	-	81.00	81.00
Loans	-	-	-	23.51	23.51
Non current investments	-	-	-	19.91	19.91
Other financial assets	-	-	-	4.06	4.06
Total Financial Assets	**-**		**-**	**146.46**	**146.46**
Financial Liabilities					
Long term borrowings	-	-	-	964.08	964.08
Short term borrowings	-	-	-	33.55	33.55
Trade payable	1.18	49.87		217.61	268.66
Other financial liabilities	16.83	-		249.13	265.96
Total Financial Liabilities	**18.01**	**49.87**	**-**	**1,464.37**	**1,532.25**

V) Commodity price risk

The Company purchases its raw material in the open market from third parties. The Company is therefore subject to fluctuations in prices for the purchase of Clinker and other raw material inputs. The Company purchased substantially all of its Clinker from third parties in the open market during the year.

34. Other Notes

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

₹ crores

Sr. No.	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
i)	Differential custom duty in respect of import of steam coal	22.50	22.50	22.50
ii)	Excise duty & service tax credit in respect of capital goods and input services & other excise duty related matters	44.95	11.28	12.51
iii)	Cess under the building and other constructions Workers Act, 1946	1.05	1.05	1.00
iv)	VAT exemption on sales made to SEZ unit & Other VAT/CST related Matter	1.82	0.23	0/23
v)	Entry tax	0.09	-	-
vi)	Income tax	4.98	0.25	1.56
	Total	**75.39**	**35.31**	**37.80**

b) Commitments:

₹ crores

Sr. No.	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
i)	Estimated amount of Contract remaining to be executed on capital accounts and not provided for (net of advances)	257.36	312.86	351.86

c) In the opinion of the Management, the current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the Balance Sheet in the ordinary course of business. Provisions are for all known liabilities and same is adequate and not in excess of what is required.

d) Exceptional Item:

Sr. No.	Particulars	As at 31st March 2018	As at 31st 31st March 2017
i)	Expense incurred towards settlement of old quality claims and interest on disputed security deposit under long-term supply agreement of cement.	10.12	-
	Total	**10.12**	**-**

e) The company is yet to receive balance confirmations in respect of certain Trade Payables, Advances and Trade Receivables. The management does not expect any material difference affecting the amount at which they are stated.

f) Employee Share Based Payments Plans:

The Company has provided share-based payment schemes to its employees.

On 30th March 2016, the board of directors had approved the ESOP Scheme - 2016 for issue of stock options to its employees & whole-time directors of the Company. According to the Scheme, the employee selected by the ESOP committee from time to time will be entitled to options based upon the CTC/fixed pay, subject to satisfaction of the prescribed vesting conditions, viz., continuing employment of 1 year. The other relevant terms of the grant are as follows:

Particulars	**ESOP 2016** **Initial grant**	**ESOP 2017** **1st subsequent Grant**
Date of Grant	1st April, 2016	1st April, 2017
Grants Outstanding as on 1st April, 2016	-	4,953,159
Grants given during the year	5,620,950	-
Grants forfeited (by cash payout) during the year	-	-
Grants forfeited during the year	667,791	-
Grants exercised during the year	-	-
Grants outstanding as on 31st March, 2017	4,953,159	-
Grants given during the year	-	5,615,072
Grants forfeited during the year	-	888,009
Grants exercised during the year	-	856,440
Grants outstanding as on 31st March, 2018	-	8,823,782
Vesting period	One year	3 year & 4 year
Method of settlement	Cash	Cash
Exercise Price (₹ per share)	68.70	68.51
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
Weighted average values of the share price	Not Applicable	Not Applicable
Weighted average Exercise Price (₹ per share)	68.70	68.60
Expected Volatility	37.28%	31.83% to 32.5%
Expected Option life	3.5 Years	4 to 4.5 Years
Risk-Free Interest Free	7.32%	6.62% to 6.7%
The method used and the assumptions made to incorporate the effects of early exercise	Black Scholes Value	Black Scholes Value

Expenses arising from Employees' Share based payment plans debited to Profit & Loss Account ₹NIL* crores (Previous Year 8.51 crores)

*Due to change in fair value of Grants, amount of ₹7.08 crores is reversed in current Financial Year.

g) Derivatives: Hedged Currency Risk Position

The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments.

i) The forward exchange contracts entered into by the company and outstanding are as under:

As at	No. of Contracts	Type	USD equivalent (million)	₹ crores equivalent
31st March 2018	3	Buy	4.15	27.15
31st March 2017	3	Buy	5.50	35.99
1st April 2016	0	Buy	-	-

ii) The foreign currency exposures that have not been hedged by derivative instruments or otherwise as at Balance Sheet date as given below:

Sr. No.	Particulars	EURO equivalent (million)	USD equivalent (million)	₹ crores equivalent
a)	Pending Capital Commitments			
	As at 31st March 2018	6.24	2.66	67.60
	(As at 31st March 2017)	(11.57)	(2.66)	(97.39)
	(As at 1st April 2016)	(0.52)	(2.66)	(20.07)
b)	Import of Raw Material & Fuel			
	As at 31st March 2018	-	2.10	13.65
	(As at 31st March 2017)	-	(1.59)	(10.29)
	(As at 1st April 2016)	-	(3.50)	(23.20)
c)	Supplier's/ Buyers' Credit			
	As at 31st March 2018	-	10.07	65.49
	(As at 31st March 2017)	-	(1.14)	(7.40)
	(As at 1st April 2016)	-	(2.06)	(13.71)
d)	Interest Accrued but not due on Suppliers'/ Buyers' Credit			
	As at 31st March 2018	0.01	0.04	0.28
	(As at 31st March 2017)	(0.01)	-	(0.07)
	(As at 1st April 2016)	-	(0.01)	(0.05)

iii) The foreign currency exposures that have been hedged by derivative instruments or otherwise as at Balance Sheet date are:

Sr. No.	Particulars	USD equivalent (million)	₹ crores equivalent
a)	Import of Raw Material & Fuel		
	As at 31st March 2018	-	-
	(As at 31st March 2017)	(1.81)	(12.06)
	(As at 1st April 2016)	-	-
b)	Suppliers'/ Buyers' Credit		
	As at 31st March 2018	4.15	27.15
	(As at 31st March 2017)	(3.69)	(23.93)
	(As at 1st April 2016)	-	-
c)	Interest Accrued but not due on Suppliers'/ Buyers' Credit		
	As at 31st March 2018	0.01	-
	(As at 31st March 2017)	-	-
	(As at 1st April 2016)	-	-

h) Employee Benefits:

i) Defined Contribution Plan:

The company operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the company in funds under the control of the trustee. The defined benefit plans are administered by a separate trust that is legally separated from the entity.

ii) Defined Benefit Plans

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit of 15 days salary for each year of service until the retirement age of 58 and 60 without any payment ceiling.

The vesting period for Gratuity as payable under "The Payment of Gratuity Act" is 5 years.

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation at the rate of daily salary, as per current accumulation of leave days.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest rate risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
Demographic risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Salary escalation risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's Liabilty.

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 2018 by external agencies. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

iii) Defined Benefit Plans - Gratuity Funded

₹ crores

Particulars	As at 31st March 2018 Funded	As at 31st March 2017 Funded
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	4.32	3.49
Acquisition adjustment	-	-
Service Cost	1.14	0.76
Interest Cost	0.32	0.28
Actuarial (gain)/loss on obligation	0.36	0.42
Benefits paid	(0.42)	(0.63)
Closing Balance	**5.72**	**4.32**
b. Changes in Fair Value of Plan assets:		
Opening Balance of Fair Value of Plan Assets	3.12	1.86
Expected Return on Plan assets less loss on investments	0.23	0.16
Actuarial gain / (loss) on Plan Assets	0.01	0.10
Employers' Contribution	1.20	1.63
Benefits paid	(0.42)	(0.63)
Closing Balance	**4.14**	**3.12**
c. Net Asset/(Liability) recognised in the Balance Sheet:		
Present Value of obligations	(5.72)	(4.32)
Fair Value of plan asset	4.14	3.12
Net Asset/(Liability) recognised in the Balance Sheet	**(1.58)**	**(1.20)**
d. Expenses during the Year:		
Service cost	1.14	0.76
Interest cost	0.32	0.28
Expected Return on Plan assets	(0.23)	(0.16)
Actuarial (Gain)/Loss	0.35	0.32
Total	**1.58**	**1.20**
e. Break up of Plan Assets as a percentage of total plan assets:		
Insurer Managed Funds - Value (100%)	4.14	3.12
f. Principal actuarial assumptions:		
Rate of Discounting	7.8% p.a.	7.4% p.a.
Rate of increase in salaries	6.0% p.a.	6.0% p.a.
Attrition Rate	2.0% p.a.	2.0% p.a.
g. Breakup of Plan Assets:		
HDFC Group Unit Linked Plan - Option B	0.79	0.53
HDFC Life Stable Management Fund	0.74	0.48
HDFC Life Defensive Managed Fund	0.54	0.54
Canara HSBC OBC Life Group Traditional Plan	2.07	1.57
Total	**4.14**	**3.12**

In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC Ultimate Tables 2006-08.

The Company has created irrevocable trust named "JSW Cement Employees' Gratuity Trust" for providing gratuity benefits to the employees and current year contribution to the trust is ₹1.20 crores (Previous Year ₹1.63 crores).

iv) Experience adjustments

₹ crores

Particulars	**As at 31st March, 2018 Funded**	**As at 31st March, 2017 Funded**	**As at 31st March, 2016 Funded**	**As at 31st March, 2015 Funded**	**As at 31st March, 2014 Funded**
Defined Benefit Obligation	5.72	4.32	3.49	1.72	1.27
Plan Assets	4.14	3.12	1.86	1.14	0.97
Deficit	(1.58)	(1.2)	(1.63)	(0.58)	(0.30)
Experience Adjustments on Plan Liabilities-Loss/(Gain)	0.61	0.15	0.09	0.15	0.03
Experience Adjustments on Plan Assets-Loss/(Gain)	(0.01)	(0.10)	0.03	0.01	-

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 have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

₹ crores

Particulars	**As at 31st March 2018**		**As at 31st March 2017**	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(5.16)	6.37	(3.87)	4.84
Future salary growth (1% movement)	6.38	(5.14)	4.84	(3.86)
Attrition rate (1% movement)	5.77	(5.64)	4.35	(4.27)
Mortality rate (1% movement)	5.72	(5.71)	4.32	(4.31)

vi) Defined Benefit Plans - Gratuity: Non-Funded

₹ crores

Particulars	As at 31st March 2018 Funded	As at 31st March 2017 Funded
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	1.38	-
Acquisition adjustment	-	-
Service Cost	0.08	-
Interest Cost	0.10	-
Actuarial (gain)/loss on obligation	(0.01)	-
Benefits paid	(0.36)	
Closing Balance	**1.19**	**-**
b. Changes in Fair Value of Plan assets:		
Opening Balance of Fair Value of Plan Assets	-	-
Expected Return on Plan assets less loss on nvestments	-	-
Actuarial gain / (loss) on Plan Assets	-	-
Employers' Contribution	-	-
Benefits paid	-	-
Closing Balance	-	-
c. Net Asset/(Liability) recognised in the Balance Sheet:		
Present Value of obligations	(1.19)	-
Fair Value of plan asset	-	-
Net Asset/(Liability) recognised in the Balance Sheet	**(1.19)**	**-**
d. Expenses during the Year:		
Service cost	0.08	-
Interest cost	0.10	-
Expected Return on Plan assets	-	-
Actuarial (Gain)/Loss	(0.01)	-
Total	**0.17**	**-**
e. Principal actuarial assumptions:		
Rate of Discounting	7.75%p.a.	-
Rate of increase in salaries	6.0% p.a.	-
Attrition Rate	2.0% p.a.	

In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC Ultimate Tables 2006-08.

The Company has created irrevocable trust named "JSW Cement Employees' Gratuity Trust" for providing gratuity benefits to the employees and current year contribution to the trust is ₹1.20 crores (Previous Year ₹1.63 crores).

vii. Experience adjustments

₹ crores

Particulars	As at 31st March 2018 Funded	As at 31st March 2017 Funded	As at 31st March 2016 Funded	As at 31st March 2015 Funded	As at 31st March 2014 Funded
Defined Benefit Obligation	1.19	-	-	-	-
Plan Assets	-	-	-	-	-
Deficit	(1.19)	-	-	-	-
Experience Adjustments on Plan Liabilities-Loss/(Gain)	0.09	-	-	-	-
Experience Adjustments on Plan Assets-Loss/(Gain)	-	-	-	-	-

viii. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

₹ crores

Particulars	As at 31st March 2018		As at 31st March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.13)	1.26	(1.31)	1.47
Future salary growth (1% movement)	1.26	(1.13)	1.46	(1.31)
Attrition rate (1% movement)	1.20	(1.18)	1.40	(1.37)
Mortality rate (1% movement)	1.19	1.19	-	-

ix. Provident Fund:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund set up as trust and certain state plans like Employees' State Insurance. The Company'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.

Company's contribution to Provident Fund recognized in statement of Profit and Loss ₹2.81 crores (Previous Year ₹1.88 crores).

Company's contribution to ESIC recognized in statement of Profit and Loss ₹0.10 crores (Previous Year ₹0.01 crores).

x. **Compensated Absences**

Assumptions used in accounting for compensated absences

₹ crores

Particulars	**As at 31st March 2018**	**As at 31st March 2017**	**As at 1st April 2016**
Present value of obligation	4.98	3.62	2.56
Expense recognized in Statement of Profit or loss	1.69	1.06	0.95
Discount rate (p.a)	7.80%	7.40%	8.00%
Salary escalation (p.a)	6.00%	6.00%	6.00%

i) **Segment reporting:**

The Company is primarily in the business of manufacturing and sale of cement and cement related product. As per IND AS 108 "Operating Segments" specified under section 133 of the Companies Act 2013, there are no other reportable business applicable to the company.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below.

a) Revenue from operations

₹ crores

Particulars	**For Year ended 31st March 2018**	**For Year ended 31st March 2017**
Within India	1,661.73	1,585.63
Outside India	-	0.45
Total	**1,661.73**	**1,586.13**

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

b) Non-current operating assets

All non -current assets, financial instruments, deferred tax assets of the company are located in India.

i) **Related parties disclosure as per Indian Accounting Standard IND AS 24:**

A)	**List of Related Parties**
1.	**Holding Company**
	Adarsh Advisory Service Private Limited
3.	**Enterprises under common control/ exercising significant influence with whom the company has entered into transactions during the year**
	JSW Steel Limited
	JSW Energy Limited
	JSoft Solutions Limited
	JSW Power Trading Co. 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 Limited
	Gopal Traders Private Limited
	Art India Publishing Company Private Limited
	Tranquil Homes & Holdings Private Limited
	JSW Jaigarh Port Limited
	JSW Paints Private Limited
	JSW Structural Metal Decking
	Unicon Merchants Pvt Ltd
	Shivom Minerals Limited

4	**Key Managerial Personnel**
	Mr. Parth Jindal (Managing Director)
	Mr. Nilesh Narwekar (Whole Time Director & CEO, w.e.f. 8th August 2017)
	Mr. Narinder Singh Kahlon (Chief Financial Officer)
	Mr. Rahul Dubey (Company Secretary)

B) Nature of transactions

₹ crores

Transactions during the Year	For the year ended 31st March 2018	For the year ended 31st March 2017
Purchase of Goods/ Power & Fuel/ Services:		
JSW IP Holdings Private Limited	2.14	1.06
JSW Steel Limited	105.70	93.53
JSW Energy Limited	59.96	48.06
JSW Steel Coated Products Limited	5.57	1.50
JSW Structural Metal Decking	0.13	0.42
South - West Mining Limited	10.38	9.81
JSW International Tradecorp PTE Limited	6.62	24.75
JSW Dharamtar Port Private Limited	4.19	0.22
Amba River Coke Limited	0.25	0.27
JSW Power Trading Co. Limited	24.10	15.03
JSW Global Business Solutions Limited	6.46	2.03
Art India Publishing Company Private Limited	0.08	-
Tranquil Homes & Holdings Private Limited	0.42	-
Total	**226.00**	**196.68**
Lease rent paid:		
JSW Steel Limited	2.94	2.49
JSW Bengal Steel Limited	1.25	0.79
Descon Limited	0.40	0.18
Total	**4.59**	**3.46**
Lease Rent Received:		
JSW Steel Limited	3.00	2.00
Total	**3.00**	**2.00**
Purchase of Assets:		
JSW Bengal Steel Limited	-	7.55
Total	**-**	**7.55**
Reimbursement of expenses:		
JSW Steel Limited	6.41	6.22
JSW Bengal Steel Limited	1.55	1.91
Total	**7.96**	**8.13**

Transactions during the Year	For the year ended 31st March 2018	For the year ended 31st March 2017
Sales of Goods / Other Income:		
JSW Steel Limited	69.06	35.93
JSW Steel Coated Products Limited	8.43	3.07
JSW Energy Limited	0.94	1.66
Amba River Coke Limited	0.04	0.02
Dolvi Coke Project Limited	12.42	8.32
JSW Dharamtar Port Private Limited	0.85	3.50
JSW Techno Projects Management Limited	1.25	4.81
JSW Steel (Salav) Limited	0.21	0.05
JSW Jaigarh Port Limited	2.79	-
JSW Paints Private Limited	3.01	-
Total	**99.0**	**57.36**
Interest income on Loan/Deposit given to		
JSW Techno Projects Management Limited	0.59	2.29
JSW Global Business Solutions Limited	0.42	0.30
JSW Sports Limited	0.43	-
Total	**1.44**	**2.59**
Subscription to Equity Share Capital by:		
Adarsh Advisory Service Private Limited	535.84	-
Total	**535.84**	**-**
Recovery of expenses:		
JSW Energy Limited	0.46	1.27
Total	**0.46**	**1.27**
Loan given		
JSW Global Business Solutions Limited	0.76	1.79
JSW Sports Limited	68.75	-
Total	**69.51**	**1.79**
Loan Given- Received Back		
JSW Global Business Solutions Limited	0.55	-
JSW Techno Projects Management Limited	20.00	-
Total	**20.55**	

Transactions during the Year	For the year ended 31st March 2018	For the year ended 31st March 2017
Loan Repayment		
Unicon Merchant Pvt Ltd	10.27	-
Total	**10.27**	**-**
Interest paid on Loan		
Unicon Merchant Pvt. Ltd.	0.21	-
Total	**0.21**	**-**
Capital Advance Given		
Shivom Minerals limited	2.26	-
Total	**2.26**	

Compensation to Key Management Personnel

₹ crores

Nature of transaction	FY 2017-18	FY 2016-17
Short-term employee benefits**	6.65	5.82
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	**6.65**	**5.82**

1. **Amount includes ESOP from JSW Infrastructure Limited amounting to ₹0.76 crores.
2. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

Terms and Conditions

Sales :

The sales to related parties are in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31st March 2018, 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 Company had given loans to subsidiaries for general corporate purposes. The loan balances as at 31st March 2018 was Amounting ₹72.50 crores. These loans are unsecured and carry an interest rate 9.50% to 11% per annum and repayable within one to three years.

b) **Lease Rent paid to Related Party :**

For Vijaynagar Plant - Lease rent paid to JSW Steel Limited Vijaynagar works towards construction on lease land under sub-lease agreements, for 150 acres of land situated at Tornagallu village, District Bellary Karnataka at an annual rent of ₹0.60 crores.

For Dolvi Plant - Lease rent paid to JSW Steel Limited, Dolvi Works towards construction, for 20.55 acres of land situated at Dolvi, District Raigad, Maharashtra at an annual rent of ₹1.94 crores.

c) Closing balances:

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Trade Payables:			
JSW Steel Limited	10.02	35.89	48.12
JSW Energy Limited	3.39	1.93	1.97
JSoft Solutions Limited	0.66	0.66	0.66
South - West Mining Limited	1.59	0.07	1.05
JSW International Tradecorp PTE Limited	-	-	-
Amba River Coke Limited	-	1.56	3.89
JSW Power Trading Co. Limited	0.19	-	-
JSW Steel (Salav) Limited	-	-	0.53
JSW Bengal Steel Limited	1.08	2.25	-
JSW Global Business Solutions Limited	0.68	1.39	-
Tranquil Homes & Holding Private Limited	0.04	0.06	-
Total	**17.65**	**43.81**	**56.22**
Deposit Given			
JSW Bengal Steel Limited	2.50	-	-
JSW IP Holdings Private Limited	0.10	-	-
Total	**2.60**	**-**	**-**
Advances Given			
JSW Steel Coated Products Limited	-	0.31	-
JSW Power Trading Company Limited	2.19	2.55	-
Amba River Coke Limited	0.20	-	-
JSW Bengal Steel Limited	0.90	-	-
JSW Dharamtar Port Private Limited	0.56	-	-
JSW International Tradecorp PTE Limited	-	12.69	-
Descon Limited	0.10	-	-
Total	**3.95**	**15.55**	**-**
Trade Receivables:			
JSW Steel Limited	13.01	5.02	-
JSW Steel Coated Products Limited	2.07	1.11	0.04
JSW Energy Limited	0.12	0.05	0.15
JSW Jaigarh Port Limited	0.02	-	0.10
Dolvi Coke Project Limited	4.59	4.66	0.02
JSW Techno Projects Management Limited	0.85	1.39	0.20
JSW Dharamtar Port Private Limited	1.08	1.01	0.62
JSW Paints Private Limited	0.57	-	-
Total	**22.31**	**13.24**	**1.13**

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advance received from Customer			
Amba River Coke Limited	-	0.03	-
Total	**-**	**0.03**	**-**
Creditors for Capital Expenditure			
JSW Steel Limited	25.20	25.20	25.20
Total	**25.20**	**25.20**	**25.20**
Investments held by the Company			
JSW Energy Limited	15.39	13.29	14.70
JSW Steel Limited	10.95	7.13	4.87
Total	**26.34**	**20.42**	**19.57**
Capital Advances Given			
JSW Bengal Steel Limited	-	-	0.25
JSW steel Limited	-	-	0.92
Total	-	-	**1.17**
Other Receivables			
JSW Steel Limited	3.00	2.00	-
Total	**3.00**	**2.00**	**-**
Loan given			
JSW Techno Projects Management Limited	-	20.00	20.00
JSW Global Business Solutions Limited	3.75	3.54	1.75
JSW Sports Limited	68.75	-	-
Total	**72.50**	**23.54**	**21.75**
Interest receivable on Loan given			
JSW Techno Projects Management Limited	-	3.34	2.99
JSW Global Business Solutions Limited	0.11	0.27	0.02
JSW Sports Limited	0.43	-	-
Total	**0.54**	**3.61**	**3.01**
Capital Advances			
Shivom Minerals LTD	2.00	-	-
Total	**2.00**	**-**	**-**

k) Operating Lease:

Lease rentals charged to Statement of profit and loss for right to use following assets are:

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Office premises, residential flats etc.	5.97	4.16
Total	**5.97**	**4.16**

The Company has executed agreements with renewable clause for a period of one to two years and has provision for termination at will by either party giving a prior notice period of 1 to 6 months.

l) Income tax expense:

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Current tax:		
Current Tax	22.56	45.52
Reversal pertaining to earlier year	0.50	0.31
Deferred tax:		
Deferred Tax (Asset) / Liability	6.69	96.29
Minimum Alternate Tax Credit Entitlement	(23.06)	(45.83)
Total deferred tax	**(16.37)**	**50.46**
Total	**6.69**	**96.29**

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Profit Before Tax	164.45	210.39
Applicable Tax rate	34.608%	34.608%
Computed Tax expense	**56.91**	**72.81**
Tax effect of:		
Additional Allowance	(51.55)	(10.97)
Expense not deductible in determining taxable profit	7.23	0.45
Allowance for goodwill on consolidation	(34.05)	-
Effect of tax pertaining to prior year	0.50	0.31
others	(2.97)	0.79
Total Tax effect	**(80.84)**	**(9.42)**
Deferred tax on account of		
Property, Plant & Equipment & Other Intangible Asset.	23.26	3.15
Unabsorbed losses reversal	8.39	32.15
Financial Assets, Liabilities and Other Item	(1.03)	(2.40)
Deferred Tax	**30.62**	**32.90**
Tax Expense recognised in Statement of Profit and Loss	**6.69**	**96.29**
Effective Tax Rate	**4.07%**	**45.77%**

Significant component of deferred tax assets/(liabilities) recognised in the financial statements are as follows:

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Deferred Tax (Liability)/ Asset (Net)	(59.16)	(53.34)	43.14
MAT Credit entitlement	90.00	62.71	16.88
Balance at the end of the year	**30.84**	**9.37**	**60.02**

Deferred Tax comprises of timing differences on account of:

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Deferred Tax Liabilities			
Depreciation	(329.79)	(238.19)	(203.06)
Revaluation of Borrowing & Capital Creditors	(1.14)	(2.07)	(4.14)
	(330.93)	**(240.26)**	**(207.20)**
Deferred Tax Assets			
Expense allowable on payment basis	8.70	7.40	7.05
Provision for doubtful debts	0.16	0.17	0.20
Unabsorbed depreciation and business loss	262.76	179.35	243.09
Others	0.15	-	
	271.77	**186.92**	**250.34**
Deferred Tax Asset/ (Liability) (net)	**(59.16)**	**(53.34)**	**(43.14)**

Movement in MAT Credit Entitlement

₹ crores

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Deferred Tax Liabilities			
Balance at the beginning of the year	67.00	16.88	-
Add: MAT credit entitlement availed during the year	22.50	45.52	16.88
Add: MAT credit pertains to earlier year	0.50	0.31	-
Balance at the end of the year	**90.00**	**62.71**	**16.88**

Company 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.

m) Remuneration to Auditors

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Audit Fees		
Statutory Audit	0.28	0.23
Tax Audit	0.07	0.02
Certification & Out of pocket expenses	0.02	0.07
Total	**0.37**	**0.33**

n) Earnings per share (EPS):

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i. Profit attributable to Equity holders of Company

₹ crores

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Profit attributable to equity holders of the Company:	149.83	110.47
Profit attributable to equity holders of the Company for basic earnings	149.83	110.47
Interest on Convertible preference shares	-	-
Interest on Convertible debentures	-	-
Others	-	-
Profit attributable to equity holders of the Company adjusted for the effect of dilution	149.83	110.47

ii. Weighted average number of ordinary shares

₹ crores

Particulars	31st March 2018	31st March 2017
Issued ordinary shares at April 1	450,511,700	450,511,700
Effect of shares issued for cash	168,826,468	-
Effect of shares issued as Bonus shares	-	-
Effect of share options exercised	-	-
Effect of shares issued to related business combinations	-	-
Effect of shares bought back during the year	-	-
Weighted average number of shares at March 31 for basic EPS	**619,338,168**	**450,511,700**

iii. **Effect of Dilution**

₹ crores

Particulars	**For the year ended 31st March 2018**	**For the year ended 31st March 2017**
Share Application Money	-	-
Convertible preference shares	-	-
Convertible debentures	-	-
Weighted average number of shares at March 31	**619,338,168**	**450,511,700**

iv. **Basic and Diluted earnings per share**

₹ crores

Particulars	**For the year ended 31st March 2018**	**For the year ended 31st March 2017**
Basic earnings per share	2.42	2.45
Diluted earnings per share	2.42	2.45

o) **Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act**

₹ crores

Particulars	**Party**	**2017-18**		**2016-17**		**2015-16**	
		Max amount O/s during the year	**Closing Balance**	**Max amount O/s during the year**	**Closing Balance**	**Max amount O/s during the year**	**Closing Balance**
Loan given	JSW Techno Projects Management Limited	-	-	20.00	20.00	20.00	20.00
	JSW Global Business Solutions Private Limited	4.3	3.75	3.54	3.54	1.75	1.75
	JSW Sports	68.75	68.75	-	-	-	-
Total		**73.05**	**72.50**	**23.54**	**23.54**	**21.75**	**21.75**
Investments	JSW Energy Limited	-	15.39	-	13.29	-	14.70
	JSW Steel Limited	-	10.95	-	7.13	-	4.87
Total		**-**	**26.34**	**-**	**20.42**	**-**	**19.57**

Details of investment made by the Company are given under note 5.

p) **Details of Corporate Social Responsibility (CSR) Expenditure:**

₹ crores

Sr. No.	**Particulars**	**As at 31st March 2018**	**As at 31st March 2017**
1	Amount required to be spent as per Section 135 of the Act	-	-
2	Amount spend during the year on:	-	-
3	(i) Construction / acquisition of an asset	-	-
4	(ii) On purpose other than (i) above	3.01	2.52
	Total	**3.01**	**2.52**

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

₹ crores

Sr. No.	Particulars	As on 31st March 2018	As on 31st March 2017
1	Principal amount due outstanding as at 31st March	1.57	4.09
2	Interest due on (1) above and unpaid as at 31st March	-	-
3	Interest paid to the supplier	-	-
4	Payments made to the supplier beyond the appointed day during the year	-	2.44
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid as at 31st March	-	0.05
7	Amount of further interest remaining due and payable in succeeding year	-	-

r) Information of Subsidiary, JVs and Associates as required under first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 .

₹ crores

Name of Subsidiaries	JSW Cement FZE	Shiva Cement Limited
Reporting Currency	**AED**	**INR**
Exchange Rate	17.54	1
Turnover	3.48	26.04
Profit/(Loss) before Taxes	0.25	(39.89)
Provision for Taxes	-	(8.80)
Profit/(Loss) after Taxes	0.25	(31.09)
% of Shareholding	100%	53.52%

s) Acquisition of Shiva Cement Limited

On 30th June 2017, the Group 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.

₹ crores

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

₹ crores

Particulars	
Carrying value of Group's 49.41% stake in Shiva Cement Limited as on the acquisition date (D)	131.52
Proportionate fair value of the Group's previously held stake (E)	229.92
Resulting gain charged to the Consolidated Statement of Profit and Loss (F=D-E)	**98.40**

Goodwill on acquisition

₹ crores

Particulars	
Acquisition date fair value of net assets (A)	35.08
Fair value of consideration (previously held stake and balance stake acquired) (B)	249.09
Goodwill on acquisition recognised as asset (B-A)	**214.01**

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.

Cash flow on acquisition

₹ crores

Particulars	
Consideration paid in cash (A)	19.18
Cash and bank balance acquired (B)	0.08
Net cash outflow on acquisition C = (B-A)	19.10

From the date of acquisition, Shiva Cement Limited has contributed ₹16.95 crores of revenue and ₹23.85 crores to the net loss before tax (gross of inter-company adjustments) to the continuing operations of the Group. If the acquisition had taken place at the beginning of the year, revenue from continuing operations of Shiva Cement Limited would have been ₹26.04 crores and the loss from continuing operations for the year would have been ₹31.09 crores (gross of inter-company adjustments)

t) Subsidiaries

Details of the group's subsidiaries at the end of the reporting period are as follows: ₹ crores

Name of the subsidiaries	Place of incorporation	Proportion of ownership interest and voting power held by the group	Principal activity
Shiva Cement limited	India	53.52%	Manufacturing company
JSW Cement FZE	UAE	100%	Manufacturing company

Non-controlling interest

Financial information of Shiva Cement Limited

₹ crores

Particulars	As at 31st March 2018
Non-current assets	182.95
Current assets	21.41
Non-current liabilities	128.49
Current liabilities	25.09
Equity attributable to owners of the company	27.18
Non-controlling interest	23.60

₹ crores

Particulars	As at 31st March 2018
Revenue	26.32
Expenses	56.10
Exceptional item	10.12
Loss for the year	(31.09)
Loss attributable to owners of the company	(16.64)
Loss attributable to the non-controlling interests	(14.45)
Loss for the year	(31.09)
Other Comprehensive income attributable to owners of the company	0.01
Other Comprehensive income attributable to the non-controlling interests	0.00
Other Comprehensive income for the year	0.01
Total Comprehensive income attributable to owners of the company	(16.64)
Total Comprehensive income attributable to the non-controlling interests	(14.45)
Total Comprehensive income for the year	(31.09)

₹ crores

Particulars	As at 31st March 2018
Net cash outflow from operating activities	(50.03)
Net cash outflow from investing activities	(11.28)
Net cash inflow from financing activities	61.34
Net cash inflow	0.03

u) Disclosure of additional information pertaining to the Parent Company, Subsidiary, Associate and Joint Venture as per Schedule III of Companies Act, 2013

₹ crores

Name of the Entity	Net Asset i.e. total assets minus total liabilities		Share in Profit or loss		Share in Other Comprehensive income		Share in Total Comprehensive income	
	As % of Consolidated net Asset	Amount	As % of Consolidated profit/(Loss)	Amount	As % of Consolidated Other Comprehen-sive Income	Amount	As % of Consolidated Total Comprehen-sive Income	Amount
Parent								
JSW Cement Limited	92.01%	1171.74	119.72%	179.39	100.55%	3.66	119.27%	183.05
Subsidiary								
Indian								
Shiva Cement Limited	6.16%	78.42	(19.58)%	(29.34)	0.22%	0.01	(19.11)%	(29.33)
Foreign								
JSW Cement FZE	(0.02)%	(0.22)	(0.14)%	(0.4)	(0.77)%	(0.03)	(0.15)%	(0.24)
Non controlling interest in subsidiary	1.85%	23.60	-	-	-	-	-	-
	100.00%	**1273.54**	**100%**	**149.84**	**100%**	**3.64**	**100%**	**153.48**

v) Previous year figures have also been reclassified/ regrouped, wherever necessary, to conform to current year's classification.

As per our attached report of even date

For **Shah Gupta & Co.**
Chartered Accountants
F.R.N. 109574W

For and on behalf of the Board of Directors

Heneel K Patel
Partner
Membership No.: 114103

Nirmal Kumar Jain
Chairman
DIN - 00019442

Parth Jindal
Managing Director
DIN - 06404506

Place: Mumbai
Date: 8th May, 2018

Rahul Dubey
Company Secretary

Narinder Singh Kahlon
Chief Financial Officer

35. First time adoption IND AS adoption reconciliations

a. Reconciliations of Balance Sheet

₹ crores

	Note	As at 31st March 2017			As at 1st April 2016		
		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS							
Non-current assets							
(a) Property, Plant and Equipment	1, 9	1,513.58	(13.58)	1,500.00	1,297.60	(8.56)	1,289.04
(b) Capital work-in-progress	9	658.75	(8.10)	650.65	239.49	-	239.49
(c) Other Intangible assets	9	13.45	(3.87)	9.58	0.49	8.93	9.42
(d) Financial Assets							
(i) Investments	2, 3	151.82	8.41	160.23	12.39	7.52	19.91
(ii) Loans	1, 5	6.43	-	6.43	1.75	-	1.75
(ii) Other financial assets	1	47.54	-	47.54	-	-	-
(e) Deferred tax assets(net)	6	-	9.37	9.37	42.64	17.38	60.02
(f) Income tax assets (net)		0.25	-	0.25	7.20	-	7.20
(g) Other non-current assets	1,10	67.47	8.17	75.64	70.51	4.16	74.67
Total non-current assets		**2,459.29**	**0.40**	**2,459.69**	**1,672.07**	**29.43**	**1,701.50**
Current assets							
(a) Inventories		157.78	-	157.78	137.26	-	137.26
(b) Financial Assets							
(i) Trade receivables	12	128.98	(0.14)	128.84	81.12	(0.12)	81.00
(ii) Cash and cash equivalents	1, 3	125.95	-	125.95	17.96	-	17.96
(iii) Bank balances other	1						
than (ii) above		0.02	-	0.02	0.02	-	0.02
(iv) Loans	1, 5	54.74	-	54.74	21.76	-	21.76
(v) Other financial assets	1	9.87	-	9.87	4.06	-	4.06
(c) Current Tax Assets (net)		62.72	(62.72)	-	16.88	(16.88)	-
(d) Other current assets	4	183.02	0.52	183.54	61.62	-	61.62
Total current assets		**723.08**	**(62.34)**	**660.74**	**340.68**	**(17.00)**	**323.68**
Total assets		**3,182.37**	**(61.94)**	**3,120.43**	**2,012.75**	**12.43**	**2,025.18**

₹ crores

	Note	As at 31st March 2017			As at 1st April 2016		
		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
EQUITY AND LIABILITIES							
Equity							
(a) Equity Share Capital	1	450.51	-	450.51	450.51	-	450.51
(b) Other Equity		92.66	3.32	95.98	(27.52)	4.60	(22.92)
Total equity		**543.17**	**3.32**	**546.49**	**422.99**	**4.60**	**427.59**
Non current liabilities							
(a) Financial Liabilities							
(i) Borrowings	1, 4	1,493.61	(7.20)	1,486.41	968.11	(4.03)	964.08
(ii) Other financial liabilities	1,9	65.83	(5.23)	60.60	25.20	(4.90)	20.30
(b) Provisions	9	17.57	6.20	23.77	3.79	17.75	21.54
(c) Deferred tax liabilities (Net)	1, 16	55.03	(55.03)	-	-	-	-
Total non-current liabilities		**1,632.04**	**(61.26)**	**1,570.78**	**997.10**	**8.82**	**1,005.92**
Current liabilities							
(a) Financial Liabilities							
(i) Borrowings		222.43	-	222.43	33.55	-	33.55
(ii) Trade payables	1	341.73	-	341.73	268.66	-	268.66
(iii) Other financial liabilities	1,4	390.56	(4.00)	386.56	246.68	(1.01)	245.67
(b) Other current liabilities	1	50.19	-	50.19	43.79	-	43.79
(c) Provisions	1	2.25	-	2.25	-	-	-
Total current liabilities		**1,007.16**	**(4.00)**	**1,003.16**	**592.68**	**(1.01)**	**591.67**
Total liabilities		**2,639.20**	**(65.26)**	**2,573.94**	**1,589.78**	**7.81**	**1,597.59**
Total Equity and Liabilities		**3,182.37**	**(61.94)**	**3,120.43**	**2,012.75**	**12.43**	**2,025.18**

First time adoption IND AS adoption Reconciliations

b. Reconciliation of total comprehensive income for the year ended 31st March, 2017

₹ crores

Particulars	Note	As at 31st March 2017		
		Amount as per Previous GAAP	**Effects of transition to Ind AS**	**Amount as per Ind AS**
I. Revenue				
Revenue from operations	11	1,584.48	1.65	1,586.13
Less: excise duty	7	(171.34)	171.34	-
Revenue from operations (net)		**1,413.14**	**172.99**	**1,586.13**
Other income		91.62	-	91.62
Total revenue		**1,504.76**	**172.99**	**1,677.75**
II. Expenses				
Cost of raw material consumed		180.45	-	180.45
Purchases of Stock in trade		21.39	-	21.39
Changes in inventories of finished goods, semi finished goods and stock in trade		(10.30)	-	(10.30)
Employee benefits expense	8	90.13	(0.31)	89.82
Finance costs	4	129.69	4.42	134.11
Depreciation and amortization expense		54.59	(1.01)	53.58
Power and fuel		242.47	-	242.47
Excise duty expense	7	-	171.34	171.34
Freight and handling expenses		370.97	-	370.97
Less: Captive consumption		(7.00)	-	(7.00)
Other expenses	10,11	218.90	1.63	220.53
Total Expenses		**1,291.29**	**176.07**	**1,467.36**
V. Profit Before Tax		**213.47**	**(3.08)**	**210.39**
VI. Tax expense:		**97.67**	**(1.38)**	**96.29**
Vii. Profit for the year		**115.80**	**(1.70)**	**114.10**
Share of loss in Associate		(3.63)	-	(3.63)
VIII. Total Profit for the year (A)		**112.17**	**(1.70)**	**110.47**
Other comprehensive income				
i) Items that will not be reclassified to profit or loss				
(a) Re-measurements of the defined benefit plans		-	(0.31)	(0.31)
(b) Equity instruments through other comprehensive income		-	0.88	0.88
ii) Income tax relating to items that will not be reclassified to profit or loss		(0.40)	0.20	(0.20)
Total (A)		**(0.40)**	**0.77**	**0.37**
ii) Items that will be reclassified to profit or loss				
(a) Changes in Foreign Currency Monetary Item translation difference account(FCMITDA)		-	(0.44)	(0.44)
Total (B)		**-**	**(0.44)**	**(0.44)**
Total Other comprehensive income		**111.77**	**(1.37)**	**110.40**

c. **Effects of IND AS adoption on Total Equity**

₹ crores

Particulars	Note	As at 31st March 2017	As at 01st April 2016
Net Worth under IGAAP		**543.18**	**422.99**
Movement of equity on Dot		**4.60**	
Amortisation of Incidental expenses on long term debts	4	(0.11)	5.04
Fair Valuation of investment in equity shares of JSW Energy Ltd	2	0.88	7.52
Deferred taxes	6	1.16	0.49
Depreciation and amortisation	9	0.78	0.48
Discounting of long term capital creditors	9	(2.32)	
Other IND AS adjustments	12	(0.03)	(0.12)
Mines restoration charges	9	(1.67)	(8.81)
Net Worth under IND AS		**546.49**	**427.59**

Effects of IND AS adoption on Cash Flows for year ended 31st March 2017

₹ crores

Particulars	Amount as per previous GAAP	Effects of transition to IND AS	Amount as per IND AS
Net cash generated from/(used in) operating activities	263.43	14.72	248.71
Net cash generated from/(used in) investing activities	(864.16)	(124.46)	(739.70)
Net cash generated from/(used in) financing activities	606.55	7.57	598.98
Net increase/(decrease) in cash and cash equivalents	5.82	(102.17)	107.99
Cash and cash equivalents at start of year/period	17.96	(0.02)	17.98
Cash and cash equivalents at close of year/period	23.78	(102.19)	125.97

Notes:

1. To comply with the Companies (Accounting Standard) Rules, 2006, certain account balances have been regrouped as per the format prescribed under Division II of Schedule III to the Companies Act, 2013.

2. **Fair valuation of investments:**

   Certain equity investments (other than investments in subsidiaries, joint ventures and associates) have been measured at fair value through other comprehensive income (FVTOCI).

   The difference between the fair value and previous GAAP carrying value on transition date has been recognized as an adjustment to opening retained earnings / separate component of other equity.

3. **Look through approach for employee welfare trust**

   Employee welfare trust formed to administer,manage and implement various incentive and benefit plan/ schemes for the company employees. It is financed through interest free loan by the Company. It has been consolidated on line by line basis adjusting the difference, if any, into opening retained earnings.

4. **Financial liabilities and related transaction costs:**

   Borrowings and other financial liabilities which were recognized at historical cost under previous GAAP have been recognized at amortised cost under Ind AS with the difference been adjusted to opening retained earnings.

   Under previous GAAP, transaction costs incurred in connection with borrowings were amortised equally over the tenure of the borrowings. Under Ind AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged over the tenure of borrowing using the effective interest method.

   Difference in the un-amortised borrowing cost as per Ind AS and previous GAAP on transition date has been adjusted to the cost of asset under construction or opening retained earnings, as applicable.

5. **Financial assets at amortised cost:**

   Certain financial assets held on with an objective to collect contractual cash flows in the nature of principal and interest have been recognized at amortised cost on transition date as against historical cost under the previous GAAP with the difference been adjusted to the opening retained earnings.

6. **Deferred tax as per balance sheet approach:**

   Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also lead to recognition of deferred taxes on new temporary differences.

7. **Excise duty:**

   Under previous GAAP, revenue from sale of goods was presented net of excise duty whereas under Ind AS the revenue from sale of goods is presented inclusive of excise duty. The excise duty is presented on the face of the Statement of Profit and Loss as part of expenses.

8. **Defined benefit liabilities:**

Under Ind AS, Remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined liability, are recognized in other comprehensive income instead of profit or loss in previous GAAP.

9. **Property, plant and equipment:**

As per paragraph 23 of IND AS 16, The cost of an item of property, plant and equipment is the cash price equivalent at the recognition date. If payment is deferred beyond normal credit terms, the difference between the cash price equivalent and the total payment is recognised as interest over the period of credit unless such interest is capitalised in accordance with Ind AS 23

As per Appendix A to Ind AS 16, the cost of an item of property, plant and equipment includes the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

10. **Operating lease rentals**

Under IGAAP, Leasehold Land were classified as Fixed Assets as the standard on leases excluded Land. However, as per Ind AS 17, where the substantial risks and rewards incidental to ownership of an asset has not been transferred in the name of Company, the Company has classified such land under Operating Leases. The amount paid towards such leases has been shown as Prepayments under Other noncurrent assets.

11. **Revenue from operations**

Under IGAAP, cash discounts and other discounts directly attributable to sales was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended 31st March 2018.

12. **Trade receivable**

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

13. **Other comprehensive income:**

Under Ind AS, all items of income and expense recognized in the period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss and "other comprehensive income" includes remeasurements of defined benefit plans and fair value gain or losses on FVTOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

Financial Highlights - Standalone

	2013-14 (IGAAP)	2014-15 (IGAAP)	2015-16 (IGAAP)	2016-17 (IND AS)	2017-18 (IND AS)
Revenue Accounts (₹ crores)					
Gross Turnover	836.9	1,056.2	1,435.4	1,586.1	1,638.6
Net Turnover	733.2	921.9	1,272.0	1,414.8	1,588.0
Operating EBIDTA	20.6	161.6	291.4	306.5	331.5
Other Income	8.2	5.1	17.8	91.6	40.8
Depreciation & Amortisation	69.0	45.4	56.9	53.6	73.2
Finance Costs	134.0	144.8	132.6	134.1	193.0
Profit Before Taxes	(174.2)	(23.5)	119.7	210.4	106.2
Provision for Taxation	(83.2)	-	30.4	96.3	15.5
Profit After Taxes	(91.1)	(23.5)	89.3	114.1	90.7
Capital Accounts (₹ crores)					
Gross Fixed Assets	1,410.5	1,523.4	1,552.6	1,815.6	2,655.7
Net Fixed Assets	1,258.3	1,325.3	1,298.1	1,509.6	2,276.8
Debt *	1,036.6	1,066.1	1,051.8	1,781.2	2,186.4
Net Debt	1,010.9	1,027.0	1,033.8	1,659.9	1,894.8
Shareholders' Funds	308.0	314.1	422.3	550.6	1,171.73
Ratios					
Book Value per Share(₹)	7.67	7.28	9.37	12.22	11.88
Earning per Share [Basic & Diluted (₹)]	(3.58)	(0.69)	1.99	2.53	1.46
Fixed Asset Turnover Ratio	0.58	0.70	0.98	0.94	0.70
Operating EBIDTA Margin	2.8%	17.5%	22.9%	21.7%	20.9%
Interest Service Coverage Ratio	(0.30)	0.84	1.90	2.57	1.55
Net Debt to Equity Ratio	3.28	3.27	2.45	3.01	1.62
Net debt to operating EBIDTA	49.17	6.35	3.55	5.42	5.72

* Excluding Acceptances

Financial Highlights - Consolidated

	2013-14 (IGAAP)	2014-15 (IGAAP)	2015-16 (IGAAP)	2016-17 (IND AS)	2017-18 (IND AS)
Revenue Accounts (₹ crores)					
Gross Turnover	836.9	1,056.2	1,435.4	1,586.1	1,661.7
Net Turnover	733.2	921.9	1,272.0	1,414.8	1,610.3
EBIDTA	20.6	161.6	291.4	306.5	323.0
Other Income	8.2	5.1	17.8	91.6	130.4
Depreciation & Amortisation	69.0	45.4	56.9	53.6	81.1
Finance Costs	134.0	144.8	132.6	134.1	197.7
Exceptional Item	-	-	-	-	10.1
Profit Before Taxes	(174.2)	(23.5)	119.7	210.4	164.5
Provision for Taxation	(83.2)	-	30.4	96.3	6.7
Profit for the year	(91.1)	(23.5)	89.3	110.5	149.8
Capital Accounts (₹ crores)					
Gross Fixed Assets	1,410.5	1,523.4	1,552.6	1,815.6	2,816.2
Net Fixed Assets	1,258.3	1,325.3	1,298.1	1,509.6	2,423.4
Debt *	1,036.6	1,066.1	1,051.8	1,558.7	1,881.8
Net Debt	1,010.9	1,027.0	1,033.8	1,432.8	1,587.3
Shareholders' Funds	307.97	314.06	422.31	546.49	1,273.54
Ratios					
Book Value per Share(₹)	7.67	7.28	9.37	12.13	12.91
Earning per Share [Basic & Diluted (₹)]	(3.58)	(0.69)	1.99	2.45	2.42
Fixed Asset Turnover Ratio	0.58	0.70	0.98	0.94	0.66
Operating EBIDTA Margin	2.8%	17.5%	22.9%	21.7%	20.1%
Interest Service Coverage Ratio	(0.30)	0.84	1.90	2.57	1.88
Net Debt to Equity Ratio	3.28	3.27	2.45	2.62	1.25
Long term debt to EBIDTA	49.17	6.35	3.55	4.68	4.91

* Excluding Acceptances

If undelivered please return to:

JSW Cement Limited
JSW Centre,
Bandra-Kurla Complex, Opp. MMRDA Ground,
Bandra (East), Mumbai - 400 051
Tel: 022 - 4286 1000
Fax: 022 - 2650 2001
Website: www.jswcement.in
CIN No.: U26957MH2006PLC160839

JSW Cement