Expanding. Integrating. Progressing.

Annual Report 2018-19

JSW Cement

Start Strong. Grow Stronger.

Shri O. P. Jindal

August 7, 1930 to March 31, 2005
Visionary and Founder – O. P. Jindal Group

GREAT LEADERS INSPIRE COUNTLESS LIVES, LEAVE EVERLASTING MEMORIES, TO FOREVER GUIDE DESTINIES.

Way back in 1952, an age before the phrase entered public discourse, Shri O. P. Jindal heralded 'Make in India' with a small scale manufacturing unit in his home town of Hisar in Haryana. In its ground-breaking wake came a pipe manufacturing company, the Jindal Group and an industrial folklore built with steel and power.

For more than five decades, as young India, born from colonial subjugation to democratic freedom, built itself into a modern state, Shri O. P. Jindal epitomised enterprise, nationalism, innovation and social service. He sired and took his eponymous business organisation to stellar heights, strengthening at every step his commitment to social work and nation building.

On this day countless individuals in the Jindal family and beyond salute his spirit, which will forever guide our destiny.

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Performance Highlights (Consolidated)

12.8 MTPA
Total cement production capacity

₹2,771.8 crores
Total income

₹90.3 crores
Net profit (Profit After Tax)

₹440.5 crores
Operating EBIDTA

Forward-looking Statement

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 'anticipates', 'estimates', '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. Should 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 keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future event or otherwise.

Expanding.
Integrating.
Progressing.

At JSW Cement, we are on a journey to build a self-reliant India.

An India that is recognised globally as a strong infrastructural force.

An India that is at the fore of economic growth.

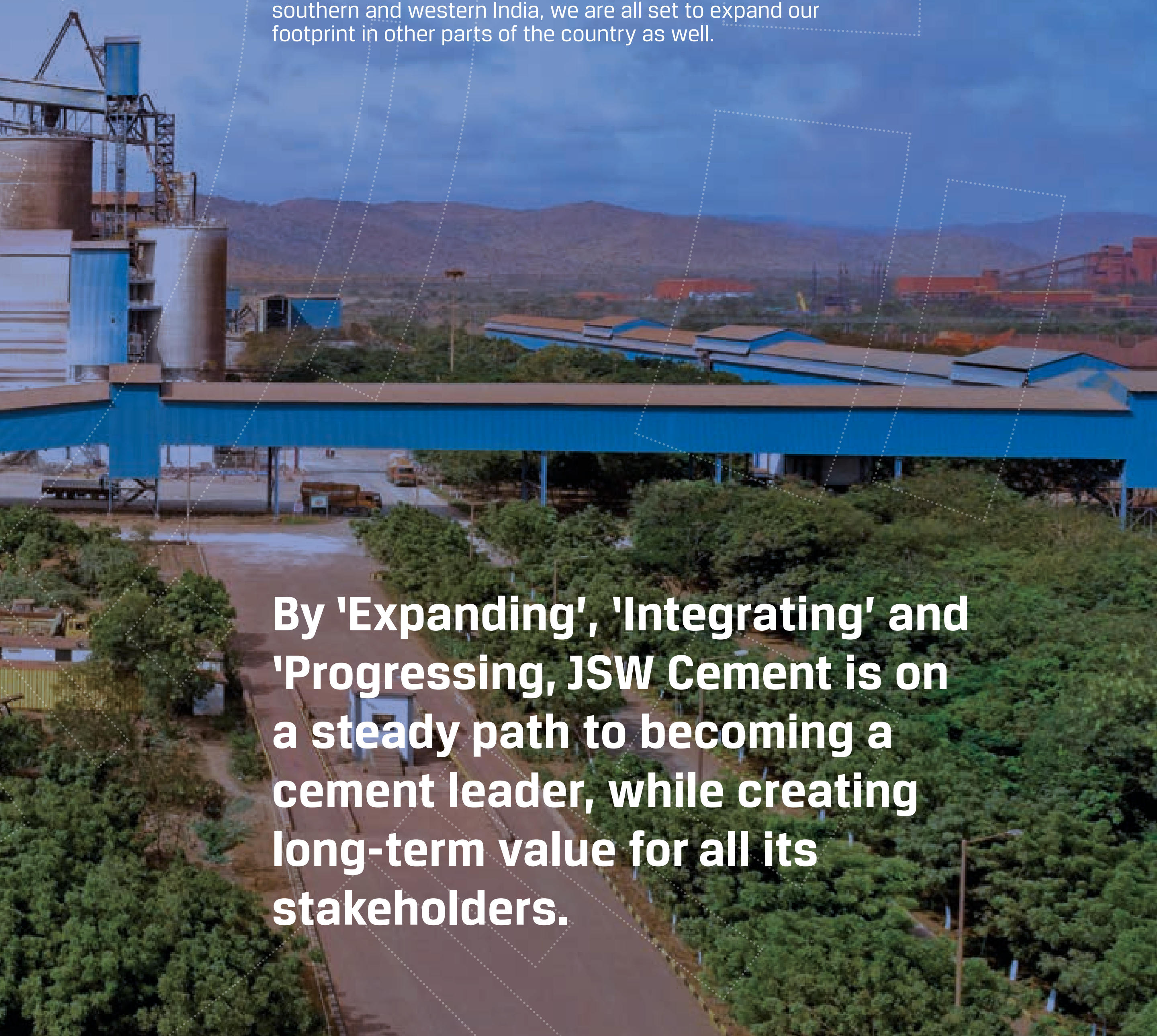
An India that is advancing towards a sustainable future.

Since inception, we have been making big strides in this journey, with small steps to enhance our efficiencies.

We are growing tenaciously by ramping up capacities to meet the increasing demand for cement. We are also poised to make strategic acquisitions as and when the opportunity knocks on our doors.

Sustainability and technology are two important pillars that support our dynamic growth. We leverage contemporary technology to successfully integrate sustainability in production processes by converting industrial by-products, such as slag, into cement.

With large infrastructural projects already underway in southern and western India, we are all set to expand our footprint in other parts of the country as well.



By 'Expanding', 'Integrating' and 'Progressing, JSW Cement is on a steady path to becoming a cement leader, while creating long-term value for all its stakeholders.

About JSW Cement

JSW Cement – Strengthening India

JSW Cement was established in 2009, with a vision of partnering the growth of a dynamic India.

Today, we are India's leading manufacturer of 'green cement', thereby contributing to reduced pollution and natural resource conservation in the country. Moreover, by converting industrial by-products, such as slag, into 'green cement', we have been cognisant of reducing India's ecological risk of industrial by-product dumping. We are also India's largest manufacturers of premium-quality Portland Slag Cement (PSC), an eco-friendly alternative and a widely used variant of cement.

Our range of quality products – PSC, Ground Granulated Blast Furnace Slag (GGBS), Ordinary Portland Cement (OPC), Concreel HD and the newly launched Composite Cement – cater to the demands of our retail consumers and serve several large, prestigious infrastructure and government projects in various parts of India. We have strong market presence in southern and western India and are expanding tenaciously in the eastern part of India as well. Our strong Research and Development (R&D) team is constantly looking for new ways to leverage technology and develop eco-friendly solutions that not only help us optimise efficiency, but also create consistent, sustainable value for all our stakeholders.

Besides expanding our presence in India, we are also committed towards uplifting the living conditions of the people of India, while contributing to the betterment of the environment. Our state-of-the-art cement manufacturing facilities, streamlined production processes and world-class technology have made us a renowned name in the domestic cement industry.

We believe in building a self-reliant India. Our aim is to become a global leader in the cement sector and make India an infrastructural force to reckon with. We are progressing towards our mission of strengthening India while staying committed to our vision and abiding by our core values.

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

Vision
Global recognition for Quality and Efficiency while nurturing Nature and Society.

Core Values
Transparency
Strive for Excellence
Dynamism
Passion for Learning

Production and Sales Highlights for FY2019

PSC

Production (in MMT)

FY2019	3.60
#FY2018	2.60

Sales (in MMT)

FY2019	3.56
#FY2018	2.57

OPC

Production (in MMT)

FY2019	0.66
FY2018	0.19

Sales (in MMT)

FY2019	0.66
FY2018	0.19

GGBS

Production (in MMT)

FY2019	2.58
FY2018	2.03

Sales (in MMT)

FY2019	2.57
FY2018	2.03

Concreel HD

Production (in MMT)

FY2019	0.28
FY2018	0.16

Sales (in MMT)

FY2019	0.28
FY2018	0.15

Composite Cement

Production (in MMT)

FY2019	0.02
FY2018	Nil

Sales (in MMT)

FY2019	0.01
FY2018	Nil

PPC

Production (in MMT)

FY2019	0.05
FY2018	0.05

Sales (in MMT)

FY2019	0.05
FY2018	0.05

Clinker

***Production** (in MMT)

FY2019	1.56
FY2018	1.11

Sales (in MMT)

FY2019	0.22
FY2018	0.13

PSC Production and Sales volume for FY2018 includes trial run quantity of 0.21 MMT and 0.20 MMT, respectively

* Clinker actual production

Chairman's Insight

Building a Self-reliant, Strong and Dynamic India

Nirmal Kumar Jain
Chairman

Dear Shareholders,

I inform you with immense pleasure that in FY2019, we have delivered excellent performance on both financial and operational parameters across our business. This fiscal year saw us expand our presence in Eastern India, foray into new markets and increase our cement capacities, after making use of the capacities we had in place. FY2019 has been exceptional, with our EBIDTA rising by 39%. Our capacity and revenue growth enabled us to invest a significant amount in promoting social and environmental development. On the back of this growth, we aspire to support India's growth in core economic sectors with speed and innovation.

All these achievements are indeed commendable and have brought us closer to our vision of being globally recognised for quality, efficiency and superior value creation. I would like to thank everyone at JSW Cement for this *tour de force*.

While the global economy witnessed robust and integrated growth in 2017, growth moderated and weakened to 3.6% in 2018. This slowdown is due to the negative effects of tariff increases enacted in the US and China, and softer momentum in Europe in the second half of 2018. Moreover, emerging markets and developing economies were hit by substantial financial market pressures. Downside risks have increased, including the possibility of disorderly financial market movements and escalating trade disputes. All these factors could end up denting global growth. Back home, the Indian economy witnessed a growth rate of 6.8% in FY2019, marginally higher than 6.7% in FY2018. A rise in consumption, gradual revival in investments, coupled with infrastructure development, steady decline in inflation and the complementary appreciation of the Rupee contributed to this growth. Moreover, the various reform measures introduced by the government helped create an environment conducive to investments. Despite softer growth, India is one of the fastest growing economies.

India is the second-largest producer of cement in the world. According to ICRA, the country's cement industry recorded an average 13.6% y-o-y growth in volumes to 275.7 Million Metric Tonnes (MMT) towards the end of CY2018, on the back of sustained demand from infrastructure and affordable housing. In FY2020, a capacity of ~17-18 MMT is expected to get added. At the pan-India level, prices in most markets were 3-8% lower between April 2018 and February 2019 compared to the same period in the previous fiscal. However, input costs eased in the recent months, mainly on the back of lower pet coke prices and freight expenses. Also, cement prices shot up towards the end of February and early March 2019. The government announced the setting up of an Affordable Housing Fund of ₹25,000 crores ($3.86 billion) under the National Housing Bank (NHB), which will ease credit to homebuyers. This move is expected to boost the demand for cement from the

This year was a landmark one for us with the launch of various EBITDA-accretive products such as Composite Cement, Slag Sand and Ready Mix Concrete (RMC).

housing segment. The future of the cement industry is expected to be bright, with the eastern states emerging as potential markets for cement companies. The increasing demand in various sectors is likely to propel the cement industry to reach 550-600 MTPA by 2025 (Source: IBEF).

Your Company has taken a giant stride in performance in FY2019. Our overall sales volume grew by 43% compared to FY2018, recording a sale of 7.35 MTPA. We continue to expand our footprint and are strategising to keep raw material costs at bay. We added an incremental capacity of 1.2 MTPA to our Dolvi plant. Demand for Ground Granulated Blast Furnace Slag (GGBS) witnessed an exponential growth of 26% this fiscal. Our capacity expansions are contributing to this increased product demand. In a bid to increase our limestone capacity, we accumulated 54.4% stake in Shiva Cement Limited in Odisha, which has sizeable limestone reserves (~120 MT). This year was a landmark one for us with the launch of various EBITDA-accretive products such as Composite Cement in South, Slag Sand and Ready Mix Concrete (RMC). This, along with a high customer satisfaction rate with Composite Cement, played an intrinsic role in our revenue growth this fiscal.

Information Technology (IT) plays a crucial role in building and sustaining the competitive edge of your Company. Through the SAP platform, we implement initiatives to strengthen our business operations, enhance productivity, improve customer engagement, enable cost reduction, embed analytics and facilitate management decision-making. During the year, we undertook several initiatives, such as digitisation of our Procure to Pay, in-plant logistics and hire-to-retire processes, to enhance our digital posture.

Looking forward, we are confident about FY2020. Global economic growth is continuing, although it is expected to weaken slightly. To leverage this growth, we plan to ramp up our capacity to 30 MTPA by FY2025. As a stepping stone to this goal, we are increasing capacities by setting up a cement-grinding facility in Odisha with a capacity of 1.2 MTPA. Including a 1.8 MTPA cement-grinding facility at Dolvi, Maharashtra and a 1 MTPA clinker facility at our wholly owned subsidiary in Fujairah, UAE. Simultaneously, we are leveraging the opportunities created in the market due to the various government initiatives undertaken to boost infrastructure.
Your Company is also gearing up to get listed within the next two years, which will lead to significant value unlocking, besides providing growth capital.

At JSW Cement, our operational efficiencies form the backbone of our production processes. To substantially reduce power costs, we plan to set up captive thermal power plants in Salboni and Nandyal of 18 MW each in FY2020 and captive solar power plants in Salboni and Nandyal of 5.45 MW and 3.5 MW, respectively. We also invested in alternate fuel systems to curtail the overall fuel costs. Additionally, your Company has decided to foray into building material products, such as adhesives for tiles to tap the brimming potential of that market.

We prioritise sustainability in our activities: for our shareholders, customers, employees, suppliers and business partners, the society and for preserving the environment. Consequently, we integrate economic, ecological and social goals into our business strategy. With the help of our employee volunteers, we are engaging in exemplary work in the areas of health, education, women empowerment, cleanliness, rural development and safety. This year, your Company contributed ₹5 crores for uplifting the lives of those less privileged.

JSW Cement is well positioned for sustainable and profitable growth. I would like to thank all our people, partners and stakeholders for further strengthening JSW Cement's role in building a strong India. We are optimistic of progressing steadily in the years to come and request your unwavering trust and support in our journey.

Best regards,

Nirmal Kumar Jain
Chairman

Message from the MD's Desk

Accelerating Momentum. Increasing Profitability.

Parth Jindal
Managing Director

Dear Shareholders,

It is with immense delight that I share with you JSW Cement's Annual Report for FY2019. This year was marked by significant 'Expansion,' 'Integration' and 'Progress'. Our momentum accelerated during the year – we exceeded our sales targets, recorded the highest EBITDA figures and profits increased significantly. We are deeply committed to becoming a leading player in the cement sector by continuing to manufacture eco-friendly cement and driving innovation.

Building for growth

We grew faster than the market and recorded a volume growth of 43%, along with a high EBITDA growth of 39%. We added 1.2 MTPA of installed capacity last year in Dolvi, Maharashtra, which increased our total installed capacity to 12.8 MTPA. We also plan to add a capacity of 1.2 MTPA by July 2019 in Jajpur, Odisha. With these additional capacities, we are well positioned to meet the demand of growing cement market. Improving efficiency and increasing throughput is crucial to maximising profitability. We have, therefore, undertaken the process of debottlenecking at Salboni, West Bengal and Vijayanagar, Karnataka. This process will help us optimise and increase the overall capacity of the plants. To expand our presence in the market, we are foraying into new products, such as the Ready Mix Concrete (RMC). As our Composite Cement product was well-received in the South, we are looking forward to launching it in the East by mid-July 2019. Additionally, on the back of the added capacity in the Jajpur plant and a large manufacturing base, we are optimistic of strengthening our position in Odisha. While we are successfully growing our cement business, we are also taking tiny steps in the chemical and automatic brick manufacturing businesses.

Tapping the sea of opportunities

Infrastructure growth and the 'Housing for All' scheme are expected to boost the demand for cement. This demand is likely to have a multiplier effect and increase retail demand. JSW Cement is geared up to capitalise on these opportunities through its product mix, project pipeline and additional capacities. We have a large footprint in the South and West, and are focusing on expanding our presence in the East. We are expanding to other parts of India as well. We successfully bid for limestone reserves in Rajasthan and Gujarat. In line with the demand emanating from these states as well as from Punjab, Haryana and NCR, we plan to set up integrated cement plants at Rajasthan and Gujarat, along with grinding units in the neighbouring states.

Innovating for success

At JSW Cement, our aim is to leverage innovation and technology along our value chain, from processes and products to the worksite. Our R&D team is constantly at work to find new solutions. Slag is a by-product in steel production. At JSW Cement, we use the slag from JSW Steel for comprehensive cement production. To enhance the

At JSW Cement, our aim is to leverage innovation and technology along our value chain, from processes and products to the worksite.

efficacy of this process and understand more about the different uses of slag for cement production, we have tied up with FEhS Institute, an institute for building materials research in Germany. Similarly, we have collaborated with laboratories in China to convert waste (slag) to wealth (cement). I am proud to inform you that we are the only cement company in India that is engaged in this process.

We are also enhancing the performance of our premium products by using additives. Additives help in bringing down the cost of the product as they can replace the costly raw materials, while continuing to provide optimal performance. We have undertaken extensive research in this area and are preparing ourselves to manufacture additives, if the research proves to be a success.

Our Company also plans to set up a slag sand unit of 125 TPH capacity at Dolvi, Maharashtra and has acquired a unit of 125 TPH capacity from JSW Steel at Vijayanagar, Karnataka, considering the fast growth of the cement sector and the shortage of fine aggregates (sand) needed for concrete. Slag sand is a growing segment due to the heavy scarcity of river sand. We will now be able to market slag sand as it caters to the construction industry where it is an input. This provides an opportunity to market both cement and sand as a complete solution to the construction industry.

Creating value for the society

While our financial results attest to a successful strategy, this only tells part of the story. JSW Cement aims at improving people's lives and spurring economic growth through its products and services. We undertake social activities across areas of health, sanitation, education and livelihood. While we are implementing several projects in empowering communities, one project that stands close to my heart is the one we undertook in Nandyal, Andhra Pradesh. As part of the Swachh Bharat Mission, we constructed toilets in several parts of Nandyal, making it an Open Defecation Free (ODF) zone. Our team spread awareness about the importance of solid waste management among the people of Nandyal and encouraged them to retain the status of Nandyal as an ODF area.

In Salboni, West Bengal, we undertook a varied range of initiatives to uplift the lives of the communities in the vicinity of our plant. We organised a mobile health camp that provided free medical consultation and tests, and distributed free medicines in several villages. Through Self Help Group (SHG) promotion and village entrepreneurship development, we provided sustainable income-generation trainings to women. Additionally, to encourage girls to pursue higher education, we organised coaching classes in Maths, Science and English for students at secondary school level, with assistance from external faculty. We also educated farmers about farm and non-farm practices to improve the yields, and thereby their livelihoods.

Respect and responsibility towards the needs of our stakeholders is part of our culture. Therefore, upholding health and safety as a core value is crucial to us. I am happy to report that we have taken a major stride in establishing a zero-harm culture in our organisation.

Marching towards a bright future

We are a green cement company with our CO_2 footprint being among the lowest in India. We aspire to be a national player in the eco-friendly cement business. We are striving to develop a clear roadmap for brownfield and greenfield expansions to 30 MT per annum and beyond. We have already set the ball rolling to achieve this by strengthening our footprint in Rajasthan, Central India and some parts of Gujarat. It is our vision to be at the forefront of sustainable construction solutions and innovation, while fulfilling our commitment towards the society as a whole. We will, therefore, continue to live up to the responsibilities that accompany our presence in the country and create sustainable value for all those associated with us.

Finally, I would like to express my gratitude to the entire team of JSW Cement, who make our success possible every day. For FY2020, we expect solid demand for our products and aim to grow our business profitably. Our strengthened high-performance culture is underpinned by our core values of Transparency, Strive for Excellence, Dynamism and Passion for Learning. I am optimistic that we will continue to uphold these values and attain new heights of success and excellence.

Best regards,

Parth Jindal
Managing Director

Our Value Chain

Progressing across the Value Chain

At JSW Cement, we follow stringent processes to deliver the best-quality cement and sustainable value to all our stakeholders. We have a robust value chain the depicts the different phases through which we create value.

Our Projects

Strengthening India's Infrastructure

Cementing the culture of innovation and sustainability, we are a proud contributor to India's infrastructural development through projects.

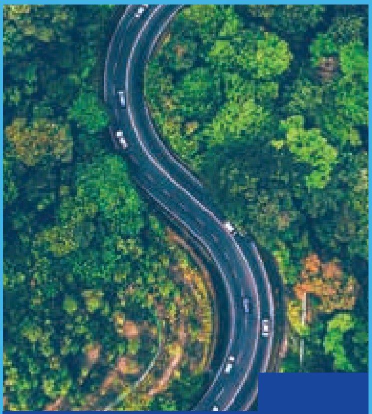
CHENNAI PORT (L&T AND ECC GEO STRUCTURE), TAMIL NADU

LODHA WORLD ONE, MUMBAI

MUMBAI ELEVATED METRO

MUMBAI PORT TRUST

YETTINAHOLE AQUEDUCT PROJECT, BANGALORE



NATIONAL HIGHWAY MUMBAI, GOA

Our Brand

Our Evolution to One of the Leading Cement Players in India

Today, we are one of the leading cement players in India. Since inception, we have been delivering quality products to several prestigious and large infrastructural projects in the southern, eastern and western regions of the country. As a brand, we have gained reputation on the back of six pillars:

The will to grow

We have grown and expanded in numerous ways, thereby developing in essence and in infrastructural capabilities. Here's a quick glimpse at our growth story.

- We grew in leaps and bounds during the last year, the most prominent sign of our growth being our expansion beyond the boundaries of the country, into the Middle Eastern lands of promise and opportunity.
- Along the lines of expressing new abilities, we launched a new type of cement, namely Composite Cement, in the select markets of South India.

The power to express

Our brand expressed itself in new and profound ways, a development that allowed us to communicate our values to the world in a unique and never-before-seen manner.

- We utilised our fleet of vehicles as a new canvas for brand expression and communication.
- Our brand acted as the presenting sponsor for Teen Rang Humare – an initiative that involved the making of the country's biggest national flag.
- We also took part in on-ground and on-air activation in partnership with Magic FM 106.4 from September 7th-28th, 2018 for 'Andheri Cha Raja' – an eco-friendly Ganesh pandal. Special Aarti was done by top dealers. Top three dealers and our Company officials had personal interaction with RJ Sudarshan live on air. The week-long event also saw the JSW Cement jingle aired on Magic FM.
- Our brand was the title sponsor for Mathrubhumi Mastercraft Awards, 2019. Our Company's brand presence was expressed through Aston bands, L bands and logo display on the Mathurbhumi channel.
- A press meet was organised with Mr. Parth Jindal on 20th February, 2019 at the JSW Centre on the Dolvi Plant expansion and our growth plan. Television coverage of the event was seen on BTVi, ET Now and CNBC, and print coverage spanned over 13 newspapers, including the top ones, such as Business Standard, Economic Times and Financial Express, among others.
- About 25-30 media journalists visited the Vijayanagar plant between December 9th-11th, 2018. The journalists interacted with the CEO and CMO, while the press meet covered around 15 newspapers and websites, including the Economic Times, Telegraph, The Hindu, Vijayvani, Enadu, Andhra Jyoti and so on.

GROUND-BREAKING CEREMONY OF JSW CEMENT FZE, FUJAIRAH, UAE

GROUND-BREAKING CEREMONY OF JSW CEMENT FZE, FUJAIRAH, UAE

The willingness to integrate

In the lifetime of a brand, evolutionary events are defined by festivities, conferences and other such events that offer organisations the capability to reform and undertake major new initiatives with colossal implications.

- Built Expo on 9th September, 2018 at Warangal, Telangana.
- Patron sponsors for international conference 'Innovative World of Concrete – 2018' organised by Indian Concrete Institute between September 19th-22nd, 2018.
- Participated in CII Green Building Conference, 2018 in Hyderabad, organised from November 1st-3rd, 2018.
- Activation with Ballygunge Cultural Association to promote Shola handicraft.

The ability to assimilate

Our brand has the ability to influence both macro and micro-environments of our cultural system - the latter being the individual and the former being the society as a whole.

- We standardised our branding material and ensured the development of a collective brand voice.
- The 'Plant Trees - Save Environment' programme was organised by us along with Civil Engineers Association in Kurnool, Andhra Pradesh to motivate people to plant saplings in vacant places in the city. The aim of the drive was to rope in human potential to increase green cover in the city, which helps in curbing pollution. This is just one of the initiatives that we have conducted to protect the environment.
- The year saw the completion of construction projects involving school toilets in Rudrangi, Siricilla, Karimnagar district.
- We also spearheaded the construction of sanitary facilities in the Coimbatore district.
- A ground-breaking ceremony was organised in Nizamabad, Warangal to construct toilets under our social branding initiative.

The gift of self-actualisation

Our self-realisation ability is expressed through consistent efforts to develop our relationship with our dealers and, thereby enable the collective development of the JSW family in the best way possible.

- Plant visit of about 100+ dealers from Belgaum, Bagalkot, Bijapur, Bellary, Raichur and Koppal.
- Plant visit of about 65 dealers from Bellary, Raichur and Koppal was conducted on 26th February, 2019. The agenda of the visit was to show them the cement plant, IIS, Vijaynagar Township, and technical presentation on Composite Cement.

AWARD DISTRIBUTION AT ANNUAL DEALER CONFERENCE AT SINGAPORE

- Special Holi Milan was organised at 12 locations for dealers and their families to celebrate the festival of Holi and discuss future plans, including sales targets and incentive schemes.
- We organised a cricket match for Engineers (30) and Dealers (25) in Vijayanagar.
- Top dealers of the East were taken to Russia for the FIFA World Cup, 2018.

The potential to influence

Our brand undertook initiatives that changed the face of the cultural narrative during this year.

- Malappuram, Kerala, where we had previously constructed a dialysis centre, invited us to be part of the first floodlight football tournament.
- Influenced by the public fervour for festivals in the country, we participated with great zeal in Ganesh Chaturthi across Maharashtra and Karnataka, as well as in Durga Pooja in West Bengal.
- We cemented our place in record books by unveiling the biggest Chandmala ever organised, while also playing a role in making the largest flag ever woven in the history of the country, which was unveiled on 15th August, 2018.
- As an innovative effort, we influenced the use of kites made of biodegradable material, which sprung up all across Telangana during Makar Sankranti.
- Engineers' Day was celebrated with passion by our technical team via a CCV van rally, a small rally-cum-run organised for engineers in Bellary, Karnataka.
- IPL gave us an opportunity to build stronger ties with our dealers by hosting them to different matches of Delhi Capitals, IPL Team.

Our Offerings

Our Optimal Product Mix

Portland Slag Cement (PSC)

PSC is a blended cement conforming to IS 455:2015. It is most suitable for residential, commercial and industrial projects. At JSW Cement, we use superior quality slag produced at our steel-manufacturing plants, along with clinker and gypsum to create PSC. At JSW Cement, PSC is produced by using state-of-the-art technology, through roller press and vertical roller mill.

Characteristics of PSC

- Longer life
- Incomparable long-term strength
- Chemical resistance
- Less heat of hydration and reduced thermal cracks
- Better surface for painting
- Green product

Ordinary Portland Cement (OPC)

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

Characteristics of OPC

- High early strength
- Quick setting properties
- Faster de-shuttering of formwork
- Proportion flexibility (can be blended with mineral admixtures)
- Increased speed of construction

Ground Granulated Blast Furnace Slag (GBBS)

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

Characteristics of GGBS

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

Through our wide range of future-ready, superior quality green products, we meet the evolving demands of the construction industry in India.

Concreel HD

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

Concreel HD is known as the cement with six strengths

- Improved early and later strength
- Superior cohesion
- Quick setting
- Chemical resistance
- Most durable in concrete mix
- Green product

Composite Cement

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

Characteristics of Composite Cement

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

Screened Slag

Screened slag is an alternate to river sand as well as crushed rock fines. Screened slag obtained from the screening of blast furnace slag is in the form of granules and looks like river sand only. It is an inert material and suitable for concrete and mortar. The method of application of screened slag is the same as that of river sand/crushed rock fines.

Screened slag is superior to river sand because the river sand/ crushed rock fines contains fossils and other irregular particles, such as clay and silt, that affects quality and durability. JSW screened slag meets all the requirement of IS:383-2015.

Characteristics of screened slag

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

Our Presence

Expanding Our Footprint

We are catering to the rising needs of the cement industry with our expansive and robust distribution network and world-class facilities based in several regions of India.

Works

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

Works (Under Construction)

1. Jajpur, Odisha

Mines

1. Fujairah, UAE (Not on Map)
2. Kutch, Gujarat, India
3. Nagaur district, Rajasthan, India

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

Our Operational Presence

Our State-of-the-art Manufacturing Facilities

Vijayanagar, Karnataka

The installed capacity of Vijayanagar plant is 3.2 MTPA. We successfully commissioned one unit of 180 Tonnes per Hour (TPH) in March 2017 and the second unit of 180 TPH in October 2017. This has helped us increase our market share of GGBS, PSC and Composite Cement in Karnataka, Goa, Kerala, Tamil Nadu, Maharashtra and Telangana. In July 2017, we commissioned a state-of-the-art mechanised wagon loading system to dispatch our products by rail and in March 2018, we commissioned a new railway line to transfer slag from JSW Steel Limited's blast furnace to the cement plant. The unit is an eco-friendly campus as nearly a fifth of it is covered by trees and plants.

Nandyal, Andhra Pradesh

Nandyal 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 produced PSC, GGBS, OPC and Concreel HD in FY2019. Nandyal Works consumes lesser amount of limestone compared to the conventional cement plants and contributes largely to water conservation. It has, therefore, earned several awards for being a green plant. The alternate fuel project was completed in FY2019. We have completed the carbon black firing, liquid fuel firing, and solid alternative fuel feeding projects this year. These initiatives have helped increase the Thermal Substitution Rate (TSR) to 13.9% and the fuel cost at the plant by recycling wastes from other industries.

To continue manufacturing 'Green Cement', we have built *avant-garde* manufacturing facilities, equipped with skilled workforce and the latest technological innovations, in leading states of India.

Dolvi, Maharashtra

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

Salboni, West Bengal

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

Our Journey

Progressing with Milestones

2006

- JSW Cement was incorporated in March
- Commenced business in May

0.8 MTPA

2009

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

5.6 MTPA

2013

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

5.7 MTPA

2014

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

6.3 MTPA

2015

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

7.8 MTPA

2016

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

8 MTPA

2017

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

11.6 MTPA

2018

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

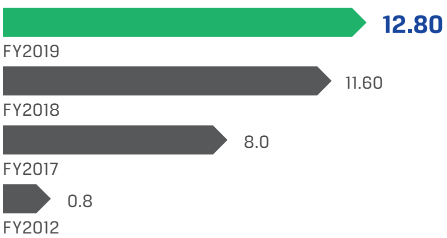
12.8 MTPA

2019

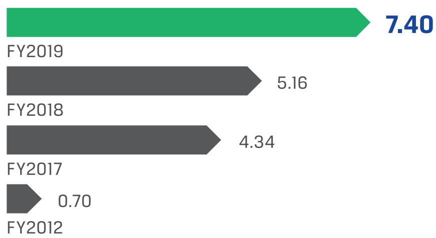
- Commissioned 1.2 million MTPA grinding unit at Dolvi, Maharashtra
- Total cement manufacturing capacity reached 12.8 MTPA

Evolution from FY2012 to FY2019 (Consolidated)

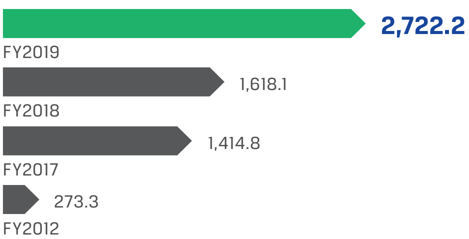
Capacity (in MTPA)



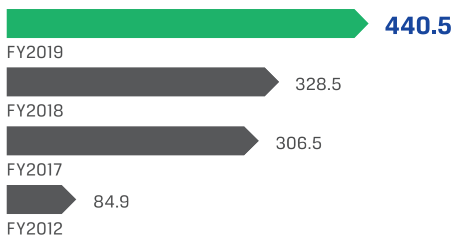
Production (in MMT)



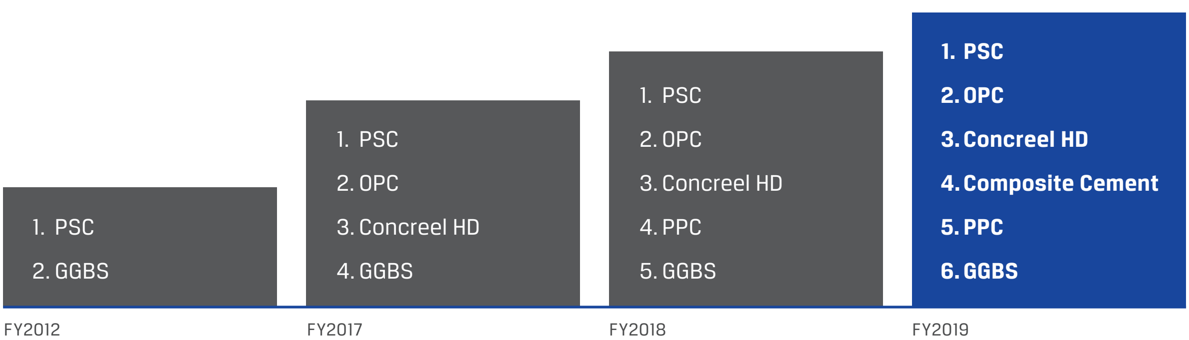
Revenue (NOED)* (in ₹ crores)



Operating EBIDTA (in ₹ crores)



Product Mix



*NOED – Net of Excise Duty

Operational Highlights (Consolidated)

Quarterly Highlights

Q1

1.57
Sales volume (in MMT)

575.6
Revenue (in ₹ crores)

87.6
Operating EBITDA (in ₹ crores)

8.5
PAT (in ₹ crores)

Q2

1.71
Sales volume (in MMT)

612.5
Revenue (in ₹ crores)

87.1
Operating EBITDA (in ₹ crores)

8.3
PAT (in ₹ crores)

Q3

1.78
Sales volume (in MMT)

662.0
Revenue (in ₹ crores)

103.2
Operating EBITDA (in ₹ crores)

14.4
PAT (in ₹ crores)

Q4

2.29
Sales volume (in MMT)

872.1
Revenue (in ₹ crores)

162.6
Operating EBITDA (in ₹ crores)

59.1
PAT (in ₹ crores)

TOTAL

7.35
Sales volume (in MMT)

2,722.2
Revenue (in ₹ crores)

440.5
Operating EBITDA (in ₹ crores)

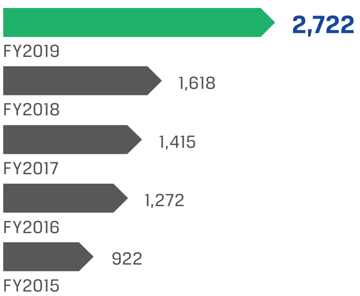
90.3
PAT (in ₹ crores)

Key Performance Indicators (Consolidated)

Our Accelerated Performance

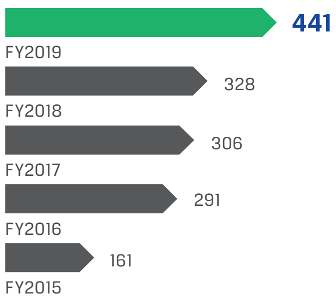
Revenue

(in ₹ crores) ▲31.68%*



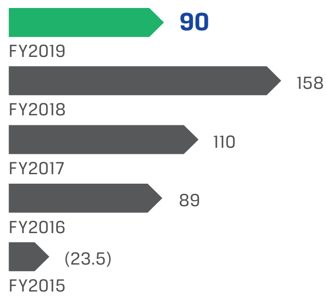
Operating EBITDA

(in ₹ crores) ▲28.65%*



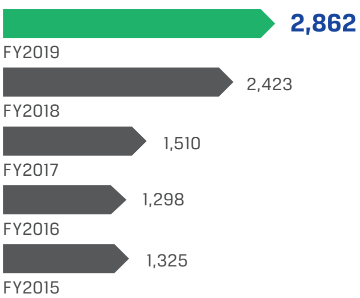
Profit After Tax

(in ₹ crores)



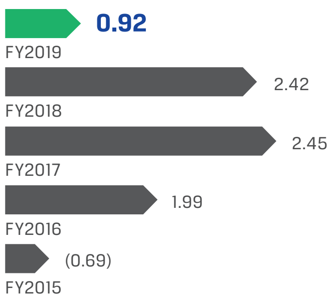
Net Fixed Asset

(in ₹ crores) ▲21.23%*



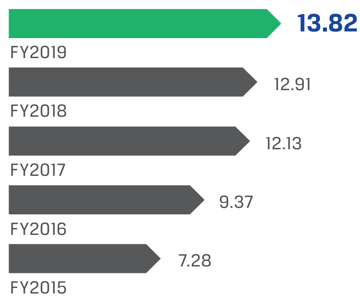
Earnings per Share

(in ₹)



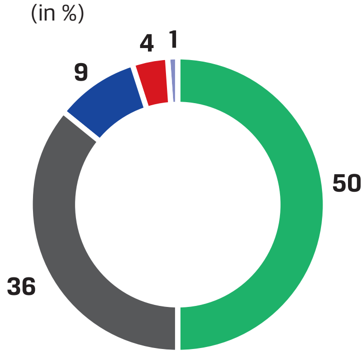
Book Value per Share

(in ₹) ▲17.38%*



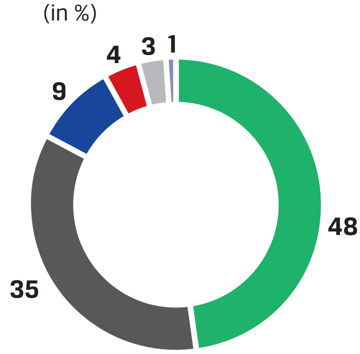
Product-wise Production Volumes

(in %)



Product-wise Sales Volumes

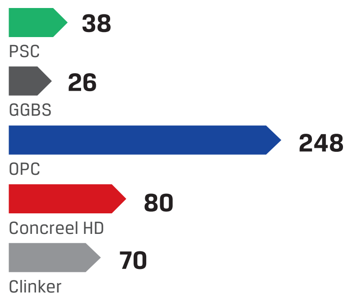
(in %)



PSC GGBS OPC Concreel HD Clinker PPC

Product-wise Sales Volume Growth

(in %) ▲43%*



* 5-years CAGR

Megatrends

Leveraging Opportunities through Robust Strategies

At JSW Cement, we are well poised to capitalise on the sea of opportunities offered by the Indian cement sector.

Boost to Real Estate and Infrastructure

The 2019 Union Budget continued with its thrust for Affordable Housing by proposing to set up 1.95 crore houses under the Pradhan Mantri Awas Yojna (PMAY) within the next two years. Additionally, the government's thrust on 'Housing for All' and Bharatmala projects are also likely to drive cement demand. The government also plans to boost infrastructure in Tier II cities. India is expected to spend ₹645 billion in FY2019 on the 'Housing for All by 2022' programme and close to ₹6 trillion on infrastructure. The growth in real estate and infrastructure will also result in increased demand for cement and drive the industry's success. JSW Cement's presence in rural markets and the strong network with influencers, such as contractors, masons and engineer put us in good stead to extract most out of the demand generated in these sectors.

Government Initiatives

The 2019 Union Budget announced several proposals to boost the Indian cement industry. The government plans to extend its rural road network scheme, connecting all eligible habitations under Phase III of Prime Minister Gram Sadak Yojana (Prime Minister's Rural Road Scheme), set up new government medical colleges and hospitals, renovate about 600 railway stations and suburban railway infrastructure, and renew 26,000 km of railway lines. In addition, the Ministry of Urban Development is planning investments to future-proof Indian cities. A step in this direction is the Dedicated Freight Corridor (DFC) project, which is a broad gauge freight corridor being constructed by the Indian Railways. It is expected to dramatically amplify market demand upon its completion by 2019. The project involves construction of six freight corridors across India. All these initiatives are expected to create great demand for cement in the future.

Technological Advancements

Considerable technological advancements in the manufacture of cement has contributed to the growth of the cement industry. The main drivers of these advancements have been the cost and quality of cement. The application of human intervention in cement manufacturing has reduced due to automation, instrumentation, computer-aided controls and integration of expert systems. Significant developments have taken place in multi-channel burners, which have been specifically designed for co-incineration of alternative fuels. Moreover, there has been significant progress in developing continuous emission monitoring systems. All these advancements are driving the demand for cement in India, thereby benefitting cement companies.

Demand for GGBS

GGBS has established its presence in almost all the named RMCs of South and West Zone. Slag is perfect for concrete construction. The boost to real estate and infrastructure in India is propelling the demand for GGBS. JSW Cement manufactures quality GGBS, which has ensured our presence in almost all major infrastructure, road and other turnkey projects in South and West India. We aim to further increase our GGBS distribution by encouraging sites to use slag as it is a more environment-friendly, sustainable and durable concrete mix.

Key Priorities

Our Strategic Roadmap to the Future

Though the dynamics of the cement industry are changing, we are ready to leverage the opportunities by focusing on our strategic priorities.

Capacity Expansion

- Plan to ramp-up capacity to 30 MTPA by FY2025
- Added 1.2 MTPA of installed capacity last year at Dolvi, Maharshtra, which increased our total installed capacity to 12.8 MTPA
- Plan to add a capacity of 1.2 MTPA by July 2019 in Jajpur, Odisha
- Plan to add a 1.8 MTPA cement-grinding facility at Dolvi, Maharashtra
- Plan to add 1 MTPA clinker facility at Fujairah, UAE

Operational Efficiency

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

Superior Products

- Introduced two premium products – Concreel HD in all markets and Composite Cement in Karnataka and Kerala
- Plan to launch Composite Cement in East from Salboni and Jajpur units

Enhanced Brand Visibility

- Utilised our vehicle fleet for brand expression and communication
- Acted as the presenting sponsor for Teen Rang Humare – an initiative that involved the making of India's biggest national flag
- Participated in CII Green Building Conference, 2018 in Hyderabad

Innovation

- Tied up with the FEhS Institute to use slag for comprehensive cement production
- Collaborated with laboratories in China to effectively convert slag to cement

Environment Protection

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

Value Creation Model

Creating Value Sustainably and Consistently

INPUTS

Financial Capital

Total equity
₹1,367.1 crores

Interest-bearing liabilities
₹2,548.7 crores

Capital expenditure
₹391.5 crores

Fixed assets
₹2,861.7 crores

Raw materials consumed
₹671.9 crores

Power and fuel
₹446.4 crores

Manufactured Capital

Nandyal: Integrated
4.8 MTPA

Vijayanagar: Grinding
3.2 MTPA

Salboni: Grinding
2.4 MTPA

Dolvi: Grinding
2.2 MTPA

Shiva: Integrated
0.2 MTPA

Plants in pipeline
Jajpur, Odisha: Grinding - 1.2 MTPA
Fujairah, UAE: Clinker - 1.0 MTPA

OUTCOMES

Net worth
₹1,366.9 crores

Revenue
₹2,722.2 crores

EBITDA
₹490.1 crores

PAT
₹90.3 crores

Leading 'green' cement producer in India
Revenue of ₹2,722.2 crores

OUTPUTS

7.40 million MT
Saleable volume produced

7.35 million MT
Volume sold

Natural Capital

Alternative raw materials consumed in the Nandyal plant
6.8% of the total energy consumed

Renewable energy consumed in the Nandyal plant
3.5% of the total energy consumed

Energy conservation

- Vijayanagar – Use of waste sludge for firing in hot air generator, resulting in reduction of coal consumption
- Nandyal - coal and petcoke consumption reduced after utilising 21,150 MT of solid and liquid waste, and carbon black
- Dolvi – Lighting power consumption reduced due to installations of LED lighting
- Salboni – Reduction of power consumption in PSC grinding by 11%

The endeavour is to reduce dependency on conventional fuel

Through operational efficiencies, plants are taking steps to reduce power consumption

Human Capital

Employees
~1,050

Employee wage costs and benefits
₹148.4 crores

Expenditure on training
₹1.7 crores

Female employees
4%

Safety-led culture - Lost Time Injury Frequency Rate (LTIFR)
0.25

Enhanced workforce skills
Led by training and development

Attrition rate
16%

Social & Relationship Capital

CSR expenditure
₹4.6 crores

Amount incurred for improving the living conditions of inhabitants around the plants
₹1.23 crores

Promoting social development
₹2.45 crores

Addressing environmental issues
₹0.06 crores

Rural development
₹0.56 crores

Swachh Bharat Mission
₹0.10 crores

Expenditure on other administrative and capacity building activities
₹0.23 crores

Improving quality of life
In neighbouring communities

Focus on livelihood skills
For women

Education and Health Initiatives

₹10.1 crores

Total savings achieved by usage of renewable energy and alternate fuel

Increased employee productivity

Better brand recognition and positive business reputation

Board of Directors

Our Distinguished Leadership

1. MR. NIRMAL KUMAR JAIN

Chairman

Mr. Jain has over four decades of rich experience in the areas of Mergers and Acquisitions (M&As), finance, law and capital restructuring. He is a Commerce graduate, a Chartered Accountant and a Company Secretary. He served as an executive coach and mentor of human resources for the JSW Group's strong workforce. Mr. Jain joined the JSW Group in 1992 and held positions of increasing responsibilities, including as Director – Finance in 1994, Deputy MD & CEO in 1996 and Executive Vice Chairman of Jindal Iron & Steel Co. Ltd. He was involved in the management of joint ventures with leading business partners from the globe.

2. MR. PARTH SAJJAN JINDAL

Managing Director

Mr. Jindal has bachelor's degree in Economics and Political Science from Brown University, US. He has also done his MBA from the Harvard Business School, US. He joined the JSW Group in 2012 and has worked as an Economic Analyst. Before joining the JSW Group, he has worked with JFE Steel in Tokyo – Japan's second largest and the world's fifth largest integrated steel manufacturing company.

3. NILESH NARWEKAR

Whole-time Director and CEO

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

4. MR. NARINDER SINGH KAHLON

Director-Finance

Mr. Kahlon is a Commerce graduate from Punjab University, Chandigarh and is a qualified Chartered Accountant from the Institute of Chartered Accountants of India, New Delhi. He has 25 years of experience in financial accounting, auditing, central excise and custom laws and sales tax. He was associated with Haldia Petrochemicals, Bhushan Power & Steel Limited, MGM Group of Companies and K.C.T & Bros (C.S) Limited.

5. MR. KANTILAL NARANDAS PATEL

Non-executive Director

Mr. Patel is a Commerce graduate from Mumbai University and a Fellow Member of Institute of Chartered Accountants of India. He possesses over 42 years of experience in corporate finance, accounts, taxation and legal. Mr. Patel is a Joint Managing Director & CEO of JSW Holdings Limited. He is also the Director of JSW Infrastructure Limited, JSW Jaigarh Port Limited, South West Port Limited and other JSW Group Companies. He was with Standard Industries Limited (Mafatlal Group) for 21 years prior to joining the Jindal Group.

6. MR. PANKAJ R. KULKARNI

Non-executive Director

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

7. MR. BISWADIP GUPTA

Non-executive Director

Mr. Gupta is a Metallurgical Engineer and an MBA in Marketing with over 35 years of experience in the steel and ceramic industry. He is experienced in setting up steel, power and cement plants. Presently, he is: a) The President – Corporate Affairs of JSW Steel Ltd. b) Director of various other corporate bodies, Corporate welfare and charitable trusts c) Member of ASSOCHAM and d) Chairman of western region, Indian Chamber of Commerce. Prior to this, he was the Managing Director of Vesuvius India Ltd., a Multinational Corporation (MNC). In 2007, he was awarded the coveted 'Banga Ratna' award by the Rotary Club.

8. MR. JUGAL KISHORE TANDON

Independent Director

Mr. Tandon obtained his B.Tech degree in Metallurgical Engineering from IIT Bombay in 1962. During his tenure of four decades, he was the Director and CEO of Sunflag Iron and Steel Plant, Maharashtra; Director and CEO of Essar Steel; and Jt. Managing Director and CEO of JSW Steel Limited. He was also Director– Projects in JSW Steel Limited. He was designated as the first CEO of Corporate Sustainability of JSW Group. He has received prestigious awards for his meritorious contribution to the Metallurgical Industries, such as 'Tata Gold Medal' by Indian Institute of Metals in 2000, 'Distinguished Aluminus Award' from IIT Bombay in the year 2001 and 'National Metallurgist (Industry) Award of Ministry of Steel and Mines, Government of India' in the year 2007.

9. MR. JAI PRAKASH NARAIN LAL

Independent Director

Mr. Lal is B.Sc (Met. Engg) I.I.T BHU, AMIIM with four decades of experience in setting up and operating mega projects in various parts of the country. He started his career with Steel Authority of India Limited, Bhilai in 1969. He was Joint Managing Director of Bellary Steels and Alloys Limited for the period between November 2001 and February 2002 and Executive Director- Operation and Projects of JSW Steel Limited from June 2002 to March 2008. He was awarded Jawaharlal Nehru Award in 1975 by Bhilai Steel Plant (Steel Authority of India Limited) for meritorious work in iron making and by RDCIS in 1994 for technical paper on Tundish Modelling.

10. MS. SUTAPA BANERJEE

Independent Director

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

Risk Management Framework

Building a Strong Line of Defence

At JSW Cement, we follow the globally recognised COSO* Framework of Enterprise Risk Management (ERM). ERM identifies the potential upside and downside of all those factors that can have an impact on the organisation. Through this process, the ERM aims to create maximum sustainable value for all the activities of the organisation and all stakeholders, by employing mitigation processes specific to each risk. The mitigation measures act as lines of defence that protect the organisation, its stakeholders and their interests, achieve business objectives, and enable sustainable growth.

We have constituted a sub-committee of Directors to oversee the ERM framework and ensure:

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

At JSW Cement, we have identified the following key risks and deployed mitigation strategies for each of them.

Risk Domain	Mitigation Strategies
Demand-supply dynamics	We track macro- and micro-economic factors related to the country, industry and market segment that impact consumption. To de-risk our business, we undertake various measures to widen market base and increase value addition by focusing on quality and customer relationship.
Raw material	• Tracking commodity markets • Broad-basing sourcing • Managing relationships for regular supply and timely signals about future • Analysing government policies in sourcing countries
Infrastructure and logistics	We de-risk by maintaining a centralised logistic cell that facilitates and ensures: • Optimum logistic cost by adopting the most economical mode of transport • Appropriate budget allocation and resource prioritisation to meet the demand of present and future infrastructure setup
Environment, Health and Safety (EHS)	• Closely monitoring compliance with norms • Prioritising pollution prevention measures • Conducting medical checkup of the workers at regular intervals • Coordinating safety training, mock drill, best practices, structures' audit and Hazard and Operability (Hazop) studies • Engaging DuPont for creating awareness on safety programme, incident investigation and barrier health management • Establishing fire prevention and handling processes • Providing medical facilities and Mediclaim policy cover for employees and their families

*Committee of Sponsoring Organisations of the Treadway Commission

We operate in a constantly evolving environment and are exposed to different external, operational and financial risks. To create consistent sustainable value for all our stakeholders and maintain our business at the peak of success, we make continuous efforts to prevent and control the risks to which we are exposed. Our risk identification, analysis and mitigation processes assess and evaluate the key risks that are likely to have an adverse effect on the current or future operations of the business. The management then devises the actions to mitigate the identified risks.

Risk Domain	Mitigation Strategies
Attract and retain the desired talent/workforce	• Effective talent search process • Competitive compensation • Robust performance management system to reward potential and initiative • Adequate training for leadership and specific competency • Attractive ESOP to retain the talent • Leadership-driven tone at the top, code of conduct, HR policies, and open forums and employee engagement programmes to ensure timely sensitisation and proactive actions to maintain cultural harmony
Reputation	• Strict adherence to applicable statutes through compliance checklists, internal communications and regular audits • Robust corporate governance practice and code of conduct • Effective stakeholder and performance management
Finance	• Tracking and monitoring external events that have an impact on financial performance • Regularly reviewing financing, hedging, pricing and procurement policy considering exposure, emerging scenario, track record and so on • Effective monitoring of performance and cash flows through internal meetings and continuous improvement in information and communication systems
Confidentiality, integrity and availability of data and systems	• Periodically assessing the current state and prioritising the foundational components of cyber security • Conducting periodic audits of security systems and procedures • Developing a new capability, technologies and processes to combat cyber threats • Incorporating cyber security and privacy into everyday business decisions and processes (for instance, the Information Security Awareness Programme) • Assessing readiness to adapt advanced technology embedded in today's modern systems

Corporate Social Responsibility

Creating an Empowered India – Everyday

We are committed to driving positive change and taking conscious steps to support and empower communities. Through the JSW Foundation, the Corporate Social Responsibility (CSR) arm of the JSW Group, we pursue six strategic spheres of activity: Health, Education, Women Empowerment, Cleanliness, Rural Development and Safety.

Health

- We conducted 364 mobile health camps and special health camps for diabetes, hypertension, anaemia, dental, cardiac and nephrology related issues. Our blood donation camps were successful in collecting 143 units of blood. Door-to-door screening to control non-communicable diseases was also undertaken across 43 villages in Nandyal, Salboni and Rajgangpur.
- At the Primary Health Centre (PHC) in Gadivemula, Nandyal, the services of laboratory technicians and staff nurses helped in strengthening mother and child health care, and general health, benefitting 24,098 persons.
- 18,456 persons were counselled through the HIV/AIDS Prevention Programme among the truckers in association with Bhoruka Charitable Trust at Nandyal.
- Fogging to prevent malaria and awareness campaigns on personal hygiene and sanitation in Nandyal and Rajgangpur helped 16,000 persons.
- A water-purifying unit was installed at the PHC in Gadivemula, Kurnool.
- We undertook the maintenance of two RO water plants at Bilakalagudur and Bujunur to provide safe drinking water to more than 8,000 people.

Education

- We renovated nine classrooms in three schools of Gadivemula mandal, Kurnool, benefitting 810 students.
- We provided study material kits to 1,200 students studying in government schools of Rajgangpur, Odisha.
- To encourage girl child education, we provided 81 bicycles to girl students pursuing secondary education so that the lack of transport facilities doesn't deter their pursuit of education.
- The 20 digital classrooms, established in 13 government schools of Gadivemula, Andhra Pradesh, continue to serve the children. Our Company also maintained, repaired and established digital classes in five schools of the Kutra block, Odisha and 12 schools at Salboni, West Bengal to improve the quality of education and build strong conceptual understanding among the students.
- Tuition support was provided to 90 students appearing for the secondary board examination.
- We provided scholarships to 42 merit students from four high schools and four primary schools to promote secondary education and reduce the dropout rate in upper primary and primary sections.
- Uniforms and notebooks were provided to 400 students studying in government primary and upper primary schools in Bilakalagudur and Bujunur villages of Andhra Pradesh.
- By providing coaching support, we aim to sharpen student's skills and boost their confidence, with special focus on girls. Our Company organised coaching classes in Maths, Science and English for students of classes 8-10, with the assistance of external faculty. Special classes were also organised before and after school hours. Of the total number of students, over 50% are girls.

At JSW Cement, we are take responsibility every day, to make India an empowered country. We are cognisant of the fact that our business success depends on our responsible conduct towards our employees, stakeholders, products, environment and the society at large.

Woman Empowerment

- We imparted tailoring skills to rural women of Gadivemula, Andhra Pradesh to uplift their economic status. 276 women are availing training on stitching clothes, saree painting, acid and phenyl and jute products manufacturing. We established two tailoring units in Kutra block, Odisha and imparted training to women.
- The main aim of establishing the jute training centre is to empower women through new skill set and create a pollution-free environment as jute is biodegradable and eco-friendly. The training will enhance the skill of women, thereby enhancing their income. This will enable them to support their families and improve their quality of life. A batch of 30 women have completed the course. They formed a group named 'Spoorthy', which has been enrolled and registered in District Rural Development Agencies (DRDAs) for availing benefits from the government.
- We trained women 126 women in Salboni, West Bengal from the SHGs for establishing kitchen gardens.
- Sanitary napkins were provided to 500 girl students from classes 7th to 10th to promote menstrual hygiene. We also set up incinerators in schools for safe disposal of sanitary napkins.
- We created awareness among rural women about personal/menstrual hygiene and provide sanitary napkins to 603 women every month.
- A new product 'saafkin' has also been introduced. This sanitary napkin is washable, reusable and biodegradable. It has the following properties:
    - Properties of bacterial killing
    - Special leak-proof lining
    - Absorbs fluid up to 12 hours
    - Can be used for one year
- We are utilising the services of Accredited Social Health Activists (ASHAs) for the distribution of sanitary napkins in villages.

Environment

- Our Company planted 2,500 saplings in DIZ villages.
- We installed 28 solar street lights and undertook the maintenance of 82 solar street lights in Gadivemula , Andhra Pradesh and 50 in Kutra block, Odisha.

Rural Development

- We constructed CC drains in Bilakalagudur village, Andhra Pradesh, which benefitted 5,000 people.
- We provided training to 160 farmers in more than 70 acres of land on improved farming practice, introducing climate-resilient cash crops, and so on.
- We supported farmers in managing their crops better, converting mono-crops to multi-crops and using bio-fertiliser.
- Through Krishi Vigyan Kendra (KVK) and other government schemes, we ensured better production and returns for the farmers.
- We established liaisons with banks for credit linkage.
- Our Company undertook a livestock rearing and vaccination programme by involving government department and leveraging resources.

Cleanliness

JSW Cement undertook various initiatives to support the government's Swachh Bharat Mission:

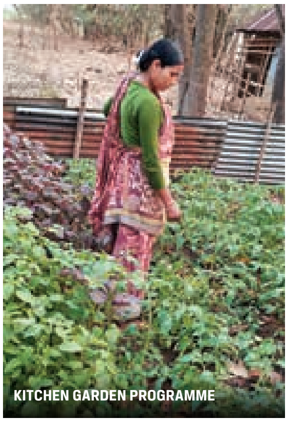
- We constructed toilet blocks at 13 schools, benefitting 1,250 students in Kutra block.
- We spread awareness about good sanitary habits among the people of Gadivemula, Andhra Pradesh and encouraged them to use constructed toilets by regularly organising awareness camps, distributing leaflets, and encouraging local students in nearby villages and schools to perform skits.
- Our Company conducted the Swach Village programme, with employees cleaning streets, and removing roadside bushes and dirt at Bilakalagudur and Bujunur, Andhra Pradesh.


SPECIAL CLASSROOM SESSION

HEALTH AWARENESS PROGRAMME


PREPARATION FOR MULTICORPING


LIVELIHOOD - AGRICULTURE


KITCHEN GARDEN PROGRAMME


ORS PROGRAMME


MEDICAL TEAM AT SPORTS CAMP


EXTRACURRICULAR SESSION


SHG TRAINING


EDUCATION PROGRAMME


INTERNATIONAL WOMEN'S DAY CELEBRATION


EYE CHECK UP CAMP


TAILORING TRAINING FOR SHG


PUBLIC HEALTH PROGRAMME


VEGETABLE CULTIVATION


MOBILE MEDICAL CAMP


MUSHROOM CULTIVATION


HEALTH AWARENESS DRIVE


SHG MEETING


IMPROVED PADDY CULTIVATION

Creating an Empowered India – Everyday

Key Initiatives Undertaken during FY2019

International Women's Day

On the occasion of International Women's Day, the Company organised an awareness and thought-sharing programme on various areas of women's empowerment with the village women. The session began with the reception and tribute to women on the occasion of Women's Day. In this programme, employees from the plants, including women employees, volunteered and discussed with the women on topics including the history behind celebrating Women's Day and its significance, the rights of women, how women can play role in the development of the society, importance of a girl children's education, etc. Participants also enthusiastically shared their experiences and thoughts and asked many questions to the volunteers. Local school authorities also participated in the programme.

Public Health Programme (PHP)

The Company undertook a PHP to sensitise people about diabetes, hypertension, cervical cancer, breast cancer and anaemia. Rural Health Assistants (RHAs) visited every household in DIZ villages with a set of questionnaire on these diseases. They collected data through 1:1 interactions with the villagers, and measured blood pressure and checked the blood sugar levels of people above 40 years of age. They also measured the height and weight of women (15-40 years) and children (5-12 years) and provided Information, Education and Communication (IEC) materials to every household.

Medical Camp and Water Distribution at Mahanandi and Bhogeswaram

Mahanandi is renowned for Mahanandeeswara Temple dedicated to Lord Shiva. A festival is held during February and March every year to celebrate 'Maha Shivaratri'. Pilgrims from all over the world attend this festival. The Company conducted a medical camp and also provided drinking water for the pilgrims for four days (March 3rd-6th, 2019) at Mahanandi and Bhogeswaram. The medical team treated 2,967 pilgrims with minor ailments and gave free medicine. The initiative has been appreciated by the Executive Officer of Mahanandi Temple and the Deputy Collector of Nandyal.

OUR MOMENT OF PRIDE

This year, JSW Cement, Nandyal was awarded the Silver award in the cement sector for outstanding achievement in CSR Management. The plant was recognised by Apex India CSR Excellence Award 2018 for its consistent efforts to produce eco-friendly cement, while catering to the evolving demands of our customers.

Modular Kitchens in Schools

The Government of India has launched a Mid-Day Meal Programme with an aim to improve the nutrition of school children and to boost school attendance. However, the food provided in schools is not prepared in hygienic conditions and has less nutritious value.

The Company rolled out a pilot project in association with Radhakrishna Food Services Private Limited by establishing a modular kitchen in two schools, MPP School in Bujunur, Andhra Pradesh and MPUP School in Bilakalagudur, Andhra Pradesh. The pilot project has been appreciated by school teachers, students, cooks, education department officials and public representatives. We have also planned to replicate the project in the remaining 36 government schools of Gadivemula mandal in a phased manner. We also installed nine modular kitchens in FY2019 and further requested the Government of Andhra Pradesh to provide approval to obtain the required food grains and spices for cooking nutritious meal for students.

People at JSW Cement

Being Better Everyday through an Engaged Workforce

We have a diverse workforce of ~1,050 employees and each of them plays a unique and valuable role in our growth journey. Our solid group of committed people contribute to the expansion, integration and progress of the Company, propelling it on the path to become a global leader in the cement sector. Our human resources management framework is aligned to our business goals and drives key decisions on business processes and introduction of new technology. To support the Company's growth, our Human Resources (HR) team focuses on further motivating capable talents and developing empowered leaders.

Capability Development

To strengthen employee retention and generate impetus for our Company's future, we endeavour to identify and develop the capabilities of our employees early on. The HR interventions of the Company focuses on skilling the existing workforce and empowering them to step beyond their defined roles. Emphasis is laid on ensuring that every employee is aware of the Standard Operating Procedures (SOPs) on quality and compliance. The shop floor team is offered regular training and grooming in the areas of compliance. The team is also offered specialised training to raise their competence, confidence and anytime readiness.

We provide our employees with advanced training opportunities to prepare them for the future and for more challenging tasks. This year, we undertook the target to mark FY2019 as a year of capability development for our entire sales workforce to further facilitate the growth agenda of the organisation. We launched our flagship 'Champion of Sales' programme, which is a capability-building initiative for developing our sales workforce. The programme was efficiently designed to include classroom training, followed by application of learning through on-the-job projects. More than 1,200 man-days of classroom training was imparted, leading to several live projects that proved to be a significant lever in achieving the business objectives as well as improving the efficiency and effectiveness of sales.

Moreover, under the 'Champion of Sales' programme, we have outlined three Learning Tracks aligned to specific business needs:

Role-based Learning Tracks

The programme, spanning 18 months, offers three diverse role-based learning curriculum, which covers 300+ learners from the sales and marketing team.

At JSW Cement, our success depends on the dedication and skills of our employees. We, therefore, strive to develop framework conditions that cater to their career aspirations. We aim to create a professionally as well as personally enriching workplace - an inclusive environment in which all employees have the opportunity to maximise their potential. We value and motivate people and promote the right culture for growth and engagement.

Career-level Based Learning Tracks

This Learning Track covers 100+ learners from three management levels, across locations. It has been curated keeping in mind the different requirements of the three management levels:

- Senior management: Training on 'Emotionally Intelligent Leadership' for our leaders to develop their emotional intelligence
- Middle management: Training on reflective conversations, planning and prioritisation for effective work management
- Junior management: Training related to data analysis, business communication, time management, building strong teams, winning together, public speaking and presentation

Skill Group Based Learning Track

This Learning Track focuses on skill building for data analysis and on the future of financial modelling, mining and closure plan.

To further strengthen our capability development initiative and focus on developing leaders for tomorrow, the Company plans to launch an initiative titled LEAP to build 'cement-fit' leaders. The programme will help our high-performing team members and develop them to occupy higher roles. This will help provide career and growth opportunities for employees, while helping the Company focus on succession planning.

Employee Engagement

JSW Cement believes in a culture of inclusion, trust, empowerment and development for its employees. We keep our employees motivated and committed through people-friendly HR policies, HR initiatives and various welfare measures. We maintain cordial and harmonious employee relations in all our manufacturing units and sales locations.

We believe having fun at work boosts productivity and keeps employees motivated to do better.
Therefore, we have undertaken several employee engagement initiatives such as sports activities, family picnics, family get-togethers, summer camps for employees' children, and celebrating achievements. These activities have significantly helped in improving the work culture, enhancing productivity and enriching the quality of life of our people.

Safety

Setting New Safety Standards

At JSW Cement, we are committed to achieving zero harm at our workplace. Our people are our most important resources and hence, we lay strong emphasis on improving our health and safety parameters. This year, we undertook various measures to improve the safety culture of our organisation. Plant-wise details of our safety initiatives are given below:

Nandyal

- 2,433 safe man-days until 31st March, 2019
- 4,710 hours of training on safety systems imparted to all employees and contract workers
- 214 workers were awarded 'Safe Worker of the Month' to improve safety culture
- 100% compliance of all statutory requirements pertaining to safety
- 3,683 safety observations were identified
- Total 2,377 Near miss were reported

Dolvi

- 3,353 safe man-days until 31st March, 2019
- Building stability audit and safety audit done
- Celebrated 40th National Safety Week and 30th Road Safety Campaign
- Two new permit assessments implemented – Gas Line Permit System and General Work Permit
- 822 safety observations identified and unsafe acts/ behaviour corrected
- 201 Near miss were reported
- 177 workers were awarded 'Safe Worker of the Month' to improve safety culture
- 21,93,054 safety man-hours worked
- 9,764 hours of training on safety systems imparted to all employees and contract

Salboni

- 787 safe man-days, without LTI, until 31st March, 2019
- 257 Near miss were reported
- 6 workers were awarded 'Safe Worker of the Month' to improve safety culture
- 2,936 Observations were identified
- 12,26,827 safety man-hours worked
- 13,991 hours of training on safety systems imparted to all employees and contract


DEFENSIVE DRIVING TRAINING, SALBONI


FIRST AID TRAINING, NANDYAL


LSE TRAINING, NANDYAL


ON-SITE ELECTRICAL TRAINING, VIJAYANAGAR

Vijayanagar

- 109 safe man-days until 31st March, 2019
- 574 workers were awarded 'Safe Worker of the Month' to improve safety culture
- National Safety Day and Week celebrated from March 4th-10th, 2019
- Successfully completed Composite Cement and PSC bulk-loading projects without any incident
- Third-party inspection and certification of pressure vessels and all lifting tools
- 973 Near miss were reported
- 9,764 hours of training on safety systems imparted to all employees and contract workers
- 3,202 Observations were identified

Jajpur

- 558 safe man-days until 31st March, 2019
- 6,920 training hours imparted during
- Hand railing provided in all buildings
- Emergency contact number displayed in all locations
- 135 near-misses reported during FY2019

DuPont Safety Excellence Journey

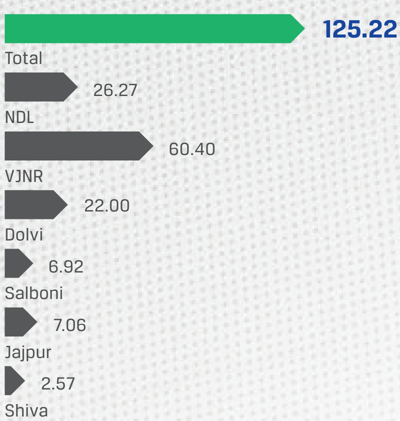
We undertook the Safety Excellence Journey with the help of DuPont Sustainable Solution to imbibe safety practices to protect the employees who form the backbone of our organisation. Some of the safety measures that form part of the Journey includes:

- 58,371 hours' safety training conducted for all workers and employees.
- Two days' induction programme for all new workers and employees conducted successfully to in all locations.
- Prepared Job Safety Analysis (JSA) for all routine and non-routine activities and explaining the hazards and implementing the mitigation measures to avoid any unwanted incidents while performing the task at all locations.
- Prepared, approved and explained the Cardinal and General Safety Rules to all employees.
- Personal Protective Equipment (PPE), Lock Out & Tag Out (LOTO) and Permit to Work (PTW) task force teams have prepared the procedure and training modules and have also commenced the training programme.
- All senior employees have been trained on Safety Observation procedure (SO). SO tours have been carried out as per schedule in all operating locations.
- To ensure Contractor Safety Management (CSM), all contractors go through the Pre-qualification Assessment before being recruited.
- Rewarding safe working employees to encourage the safety culture in all locations.

DUPONT SAFETY EXCELLENCY JOURNEY IN THE CEMENT DIVISION AT NANDYAL PLANT

Budget Allocated and Amount Spent for Better Safety Location Wise

(in ₹ lakhs)



Awards and Recognitions

Our Moments of Pride

1

This year, JSW Cement, Nandyal, Andhra Pradesh was awarded the **Silver Award** in the cement sector for outstanding achievement in CSR management. The plant was recognised at the **Apex India CSR Excellence Award 2018** for its consistent efforts to produce eco-friendly cement, while catering to the evolving demands of the customers.

2

JSW Cement strives to improve the green cover surrounding its plant facilities by planting saplings and has also contributed to reduced GHG emissions by installing solar lights. Our efforts were recognised at the **Apex India Environment Excellence Award 2018** and our Nandyal unit, Andhra Pradesh received the **Gold Award** for outstanding achievement in environment management .

3

At JSW Cement, the health and safety of our people is of paramount importance and we make every possible effort to ensure the same at our workplace and in our plant facilities. This year, our Nandyal unit, Andhra Pradesh received the **Gold Award** in the cement sector for exceptional achievement in occupational health and safety management at the **Apex India Occupational Health & Safety Award 2018**.

4

Our Nandyal plant in Andhra Pradesh has been recognised for its brilliant work in Environment, Health and Safety (EHS) practices in the **CII-SR EHS Excellence Awards 2018**. The plant received a **5-star rating** for ensuring a significant number of safe man-days and educating those employed at the plant about the importance of safe practices.

5

The Greentech Foundation honoured our Nandyal plant with the **Gold Award** at the **Greentech Environment Award 2018**. The Foundation is a non-profit organisation committed to recognise and celebrate the ethos of outstanding performance in safety issues.

6

The Foundation also awarded our Nandyal unit with the Gold Award in the cement sector at the **Greentech Environment Award 2018**. The plant was recognised for its outstanding achievement in environment management.

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 varieties of cement such as Portland Slag Cement (PSC), Ordinary Portland Cement (OPC), Concreel HD, Ground Granulated Blast Furnace Slag (GGBS) and Composite Cement. JSW Cement primarily utilises slag from JSW Steel's plants to produce green cement.

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

The Company's current production capacity is 12.8 MTPA. During the year, at the Dolvi location, the Company has commissioned a 1.2 million MT per annum grinding unit. The Company has further plans to add 1.2 MTPA grinding capacity at Jajpur, Odisha by July 2019. Blast furnace slag from nearby steel plants as well as fly ash from Jindal Stainless Steel's plant will be sourced for manufacture of PSC and Portland Pozzolana Cement (PPC) at Jajpur, Odisha.

The Company has started mining limestone and also has plans to set up a 1 million MT clinker manufacturing facility at Fujairah, UAE by January 2020. The clinker from Fujairah will be imported to India to meet the clinker requirements of the Dolvi plant.

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

2. Global Economy Overview

According to the World Economic Outlook, global growth softened marginally from 3.8% in 2017 to 3.6% in 2018. Weakening market sentiment, trade policy uncertainty and concerns regarding China's outlook played a major role in this slowdown. However, the fiscal boost in the US provided a thrust to the country's economy, while the

STUDY MATERIAL DISTRIBUTION TO KIDS AT ROURKELA, ODISHA eurozone experienced a reduction in net exports. The trade tensions between the US and China, China's stricter banking credit regime, stabilising monetary policies in some of the larger advanced economies, stress in some developing economies such as Argentina and Turkey and disruption in the automotive industry in Germany post the issuance of new emission norms also contributed to the weak global economy.

Global Growth (%)

Particulars	Actual	Projections	
	FY2018	FY2019	FY2020
World Output	3.6	3.3	3.6
Advanced Economies	2.2	1.8	1.7
US	2.9	2.3	1.9
Eurozone	1.8	1.3	1.5
Japan	0.8	1.0	0.5
UK	1.4	1.2	1.4
Other Advanced Economies	2.6	2.2	2.5
Emerging Markets and Developing Economies	4.5	4.4	4.8
China	6.6	6.3	6.1

Source: The International Monetary Fund (IMF)

Outlook

Global growth is expected to decline to 3.3% in 2019 before picking up slightly to 3.6% in 2020 [Source: International Monetary Fund (IMF) and World Economic Outlook, April 2019]. The improvement in growth will be supported by significant monetary policy accommodation by major economies, made possible by the absence of inflationary pressures. China's move to ramp up its fiscal and monetary stimulus to counter the negative effect of trade tariffs and the improving outlook for US-China trade tensions will stabilise the economy.

3. Indian Economy Overview

According to the Central Statistics Office (CSO), Indian economy grew at 6.8% in FY2019, despite a visible slowdown in the last quarter of the current fiscal. India gained recognition for being the fastest growing and most resilient economies in the world. Drivers such as increased consumption, rising disposable income and high levels of spending were responsible for propelling the economy on the growth path. Further, the government's regulatory reforms such as the Goods and Services Tax (GST) have resulted in a more organised and formal economy. The share of Gross Fixed Capital Formation (GFCF)

in GDP improved to 32.3% in FY2019 from 31.4% a year ago, indicating the strengthening of investment demand. The pickup in fixed investment was supported by higher construction activity, led by the government's drive to boost spending on the road sector and affordable housing. India's ranking in the World Bank's Ease of Doing Business Index continued to improve, jumping 23 places in the 2018 edition to assume the 77th position. Growing investor confidence is also reflected in the total Foreign Direct Investment (FDI) inflow in India, which stood at ~$38 billion in 2018, surpassing China for the first time in 20 years.

Outlook

India is projected to remain robust and grow at a rate of 7.1% in 2019. This growth is expected to be driven by factors such as lower oil prices, sustained growth in private consumption and favourable monetary policy. As per the IMF – World Economic Outlook January 2019 update, the projections will continue to grow to 7.5% in 2019 and continue expanding to 7.7% for 2020. The Indian economy is, therefore, well-poised to grow in the midst of growing global uncertainties. According to a Boston Consulting Group (BCG) report, India is expected to be the third largest consumer economy as its consumption may triple to $4 trillion by 2025, owing to a shift in consumer behaviour and expenditure pattern. According to PwC, the country is estimated to surpass the US to become the second largest economy in terms of Purchasing Power Parity (PPP) by 2040.

4. Cement Industry Overview

Industry Landscape

India is home to the world's second-largest cement industry and accounts for over 8% of the global installed capacity. As per Crisil, with the addition of 23 MTPA cement production capacity in FY2019, the total production capacity increased to 478 MT. Of the total capacity, 98% lies with the private sector and the rest with the public sector. 210 large cement plants account for a cumulative installed capacity of over 410 MT, while over 350 mini cement plants have an estimated production capacity of nearly 11.10 MT. Of the total 210 large cement plants in India, 77 are situated in the states of Andhra Pradesh, Rajasthan and Tamil Nadu. India's cement exports and imports reached $280.10 million and $88.56 million, respectively, between April and October 2018. The Indian cement industry has the lowest energy consumption and CO_2 emissions.

Top Cement-producing Countries in the World in 2018

Rank	Country	Production in million Metric Tonne
1	China	2,370
2	India	290
3	US	88.5
4	Turkey	84
5	Vietnam	80
6	Indonesia	67
7	South Korea	56
8	Japan	55.5
9	Russia and Egypt	55
10	Iran	53

Source: statista.com

Performance in FY2019

According to the Economic Advisor, Ministry of Commerce & Industry, the cement industry has shown a CAGR of over 5% in the year FY2019 from FY2015 (April-November). During FY2019, the industry has shown a double-digit growth of over 14% as compared to a marginal growth of around 1% in FY2018. As per CRISIL, cement demand for FY2019 is 335 MTPA, thereby registering a growth of 12%. The housing sector is still a main demand driver accounting for 60-65% of total consumption. Other demand drivers are infrastructure, and commercial and industrial with 15-20 % share each.

GROUND-BREAKING CEREMONY OF JSW CEMENT FZE, FUJAIRAH, UAE

The year witnessed steady implementation and completion of mega-infrastructure projects especially in the Northern and Central regions, with Rajasthan and Madhya Pradesh set for Assembly Election in November-December. Union Government-backed mega-infrastructure projects such as 'Bharatmala' for roads, 'Sagarmala' for ports and development of dedicated freight corridors and smart city projects witnessed a surge in activity in terms of award and implementation of new and existing projects, respectively. Around 34 infrastructure projects with an outlay of over ₹150 crores have been completed in the April-August period across major infrastructure sectors.

Government Initiatives

The growth in cement demand is mainly driven by the following government initiatives:

- **Union Budget FY2019:** In the Union Budget FY2019, the Finance Minister announced the government's intentions of undertaking a major infrastructure expansion programme. The government is undertaking several measures to boost the real estate sector, which could have a multiplier effect on the economy, as it would spur demand for cement and allied industries, particularly in the unorganised sector.
- **Housing for All:** The government's efforts to provide housing for all will be a major source of cement consumption. A total of 1.54 crores rural homes have been completed under the PMAY-Urban scheme in the last five years. In the second phase of the scheme, during 2019-20 to 2021-22, 1.95 crores houses are proposed to be provided to the eligible beneficiaries. Further, Real Estate Regulation and Development Act (RERA) 2016 and Benami Transaction Act brought more transparency in the construction sector, thereby boosting it and in turn driving the demand for cement.
- **Affordable Housing Fund:** In the Union Budget FY2019, the government announced setting up of an Affordable Housing Fund of ₹25,000 crores ($3.86 billion) under the National Housing Bank (NHB), which will be utilised for easing credit to homebuyers. The move is expected to boost the demand of cement from the housing segment.
- **Auction of the limestone block:** As of October 2018, the Government of India has auctioned 23 limestone blocks and 42 more limestone blocks are expected to be auctioned by March 2019.

Growth Drivers and Opportunities

Cement industry demand is expected to grow at 7% to 502 MT by FY2020. The demand for cement in India can be attributed to three main sectors – Housing and Real Estate, Public Infrastructure and Industrial Development. Government initiatives such as Housing For All are expected to push demand in the cement sector. The real estate market in India is expected to reach $1 trillion by 2023 from $120 billion in 2017. Strong growth in rural housing and low-cost housing will also amplify cement demand. Strong economic growth is expected to lead to growth of the industrial sector and in turn increase cement demand in the long run.

The eastern states of India are likely to be the new markets for cement companies and could contribute to their bottom line in future. In the next 10 years, India could become the main exporter of clinker and gray cement to the Middle East, Africa and other developing nations of the world. Cement plants near the ports, for instance the plants in Gujarat and Visakhapatnam, will have an added advantage for exports and will logistically be well armed to face stiff competition from cement plants in the interior of the country. A large number of foreign players are also expected to enter the cement sector, owing to the profit margins and steady demand.

5. Review of Operations

Highlights of FY2019

1. Achieved highest ever sales of 7.35 MT (includes PSC consumed for RMC, i.e. 0.07 MT) on consolidated basis
2. Cement sales volume increased by 54% over the previous financial year
3. Highest ever clinker production of 1.56 MT
4. Highest ever dispatches from Vijaynagar, Karnataka, Salboni, West Bengal and Dolvi, Maharashtra.
5. Commissioned the Railway Siding and Wagon Tippler at Salboni, West Bengal
6. Commissioned grinding unit facility with capacity of 1.2 MTPA at Dolvi, Maharashtra
7. Launched Composite Cement and Slag Sand in South Market

Way Forward

1. 1.2 MTPA grinding facility at Jajpur, Odisha to be commissioned in first half of next financial year
2. 1 MTPA Clinker facility at 100% subsidiary incorporated at Fujairah, UAE to be commissioned in last quarter of the next financial year
3. Plan to increase capacity cement and clinkerisation facilities by:
   - De-bottlenecking projects to enhance cement capacities at Vijaynagar (3.2 MTPA to 4.0 MTPA), Salboni (2.4 MTPA to 3.0 MTPA) and Dolvi (2.2 MTPA to 2.5 MTPA)
   - De-bottlenecking projects to enhance Kiln capacity from 6,400 TPD to 8,500 TPD at Nandyal
   - Brownfield project to increase grinding capacity by 4.0 MTPA at Dolvi, Maharashtra and Vijayanagar, Karnataka
   - Greenfield project to put up 0.6 MTPA grinding facility at Salem, Tamil Nadu

6. Financial Review

Standalone

Highlights of FY2019

Particulars	FY2019	FY2018	Growth (%)
Gross turnover (₹)	2,647.33	1,646.34	60.8
Net turnover (net of excise duty) (₹)	2,647.33	1595.73	65.9
Operating EBIDTA (₹)	450.94	337.03	33.8
EBIDTA margin (%)	17.0%	21.1%	(19.4)
Other income (₹)	65.60	33.07	98.4
Depreciation & amortisation (₹)	107.30	73.20	46.6
Finance cost (₹)	235.72	190.72	23.6
Profit before tax (₹)	173.52	106.18	(63.4)
Profit for the year (₹)	118.46	90.69	(30.6)
Other comprehensive income (₹)	(0.08)	3.66	-
Total comprehensive income (₹)	118.38	94.35	25.5
Earnings per share (diluted) (₹)	1.20	1.46	(17.8)
ROCE (%)	11.9	10.0	19.1
Net debt gearing ratio (times)	1.9	1.6	18.8

The Company achieved a capacity utilisation of 60% and posted its highest ever production, dispatches, revenue and EBITDA during FY2019.

For FY2019, the Company achieved production of 7.11 MT of cement and GGBS, a growth of 42% y-o-y.

During the year, the Company's revenue increased by 65.9 % from ₹1,595.73 crores to ₹2,647.33 crores. The primary drivers for this performance being increase in realisations and sales volumes. This has helped the Company report an operating EBITDA of ₹450.94 crores for the year, a growth of 33.8% y-o-y, EBITDA margin for the year stood at 17.0%. The Company registered a net profit after tax of ₹118.46 crores.

Revenue Analysis

(in ₹ crore)

	FY2019	FY2018	Change %
Total manufactured finished goods	2,580.50	1,608.28	60.4
Traded	8.90	20.66	(56.9)
Govt. Incentive	37.92	7.77	388
Other operating income	20.01	9.63	107.9
Gross revenue	2647.33	1646.34	60.8

The increase in gross revenue is mainly due to increase in sale of manufactured finished goods by 60.4% from ₹1608.28 crores in FY2018 to ₹2580.50 crores in FY2019

Other Income

(in ₹ crore)

	FY2019	FY2018	Change %
Other Income	65.60	33.07	98.4

The increase in other income is mainly due to increase in interest income from loan given to related parties.

Material Cost

(in ₹ crore)

	FY2019	FY2018	Change %
Cost of Material consumed including purchase of traded goods and change in inventories	625.80	225.81	177.1

The Company's expenditure on material consumption increased by 177.1% from ₹225.81 crores in FY2018 to ₹625.80 crores in FY2019. The increase is primarily due to increase in production volume.

Employee Benefits Expense

(in ₹ crore)

	FY2019	FY2018	Change %
Employees remuneration and benefits	143.89	96.65	48.9

The employee benefits expense increased by 48.9% from ₹96.65 crores in FY2018 to ₹143.89 crores in FY2019. The increase is primarily due to increase in annual compensation for existing employees and provision for employee stock option. The Company has employee strength of 1,049 as at 31st March, 2019 vis-à-vis 1,043 as at 31st March, 2018.

Power and Fuel Cost

(in ₹ crore)

	FY2019	FY2018	Change %
Power and fuel cost	434.41	287.00	51.4

Power and fuel cost has increased by 51.4% from ₹287 crores in FY2018 to ₹434.41 crores in FY2019. The increase was primarily due to increase in production volume.

Freight and Handling Expenses

(in ₹ crore)

	2018-19	2017-18	Change %
Freight and handling expense	633.23	389.37	62.6

Freight and handling expenses has increased by 62.6% from ₹389.37 crores in FY2018 to ₹633.23 crores in FY2019. This increase was primarily driven by an increase in diesel prices, increase in volumes handled and transport incentives

Manufacturing, Marketing, Administrative and Other Expenses

(in ₹ crore)

	2018-19	2017-18	Change %
Other expenses	368.96	264.91	39.3

Manufacturing, marketing, administrative and other expenses has increased by 39.3% from ₹264.91 crores in FY2018 to ₹368.96 crores in FY2019. The increase was primarily owing to an escalation in the expenditure on advertisement and branding; and increase in selling and distribution expense

Finance Cost

(in ₹ crore)

	2018-19	2017-18	Change %
Finance cost	235.72	190.72	23.6

The Company's finance cost has increased by 23.6% from ₹190.72 crores in FY2018 to ₹235.72 crores in FY2019 mainly due to interest on loan availed for new capacities added during the fiscal year.

Depreciation and Amortisation Expenses

(in ₹ crore)

	2018-19	2017-18	Change %
Depreciation and amortisation expense	107.30	73.20	46.6

Depreciation and amortisation expenses increased by 46.6% from ₹73.20 crores in FY2018 to ₹107.30 crores in FY2019. The increase is mainly due to additional depreciation on capitalisation of new assets at Salboni and Dolvi.

Fixed Asset

(in ₹ crore)

	2018-19	2017-18	Change
Tangible assets	2,694.07	2267.46	426.61
Intangible assets	12.05	9.35	2.70
Capital work-in-progress	308.52	437.31	(128.79)

The net block of property, plant and equipment increased by ₹426.61 crores during the year primarily on account of additions to property, plant and equipment of ₹538.71 crores at Salboni and Dolvi during the year offset by depreciation charge of ₹107.30 crores capital work in progress is reduced due to capitalisation of Salboni and Dolvi units and offset by fresh expenditure for greenfield project at Jajpur, Odisha.

Loans and Edvances

(in ₹ crore)

	2018-19	2017-18	Change
Long-term loans & advances	143.46	227.92	(84.46)
Short-term loans & advances	489.95	28.82	461.13
Total loans & advances	633.41	256.74	376.67

Loan on overall basis has increased mainly due to loans and advances given to the subsidiary, related parties and other entities

Inventories

(in ₹ crore)

	2018-19	2017-18	Change
Raw materials	113.82	66.62	47.20
Semi-finished goods	14.17	26.34	(12.17)
Finished goods	25.05	19.95	5.1
Stores and spares	80.47	77.03	3.44
Fuel	20.87	22.24	(1.37)
Total inventories	254.38	212.18	42.20

The average inventory holding in terms of number of days as on 31st March, 2019 is 39 days vis-à-vis 54 days in 31st March, 2018.

However, the inventory in terms value has increased mainly due to increase in raw material inventory namely clinker and slag, due to increased scale of operations.

Trade Receivables

(in ₹ crore)

	2018-19	2017-18	Change
Total debtors	393.21	164.95	228.26
Less provision for doubtful debts	(0.52)	(0.47)	(0.05)
Trade receivables	392.69	164.48	228.21

The average debtors in terms of number of days as on 31st March, 2019 is 38 days as compared to 33 days in 31st March, 2018. The increase in receivables in line with the increased scale of operations.

Borrowings

(in ₹ crore)

	2018-19	2017-18	Change
Long-term borrowings	2108.23	1754.78	353.45
Short-term borrowings	151.68	304.55	(152.87)
Current maturity of long-term borrowings	274.02	127.04	146.98
Borrowings	2,533.93	2,186.37	347.56

Long-term borrowings, including current maturity of long-term debts, has increased by ₹500.43 crores during the year. The increase was primarily due to drawals of loan for the expansion projects at Salboni, Dolvi and Jajpur.

Short-term borrowings has reduced by ₹152.87 crores during the year. The decrease was primarily due to repayment of working capital loan facilities.

Trade Payables

(in ₹ crore)

	2018-19	2017-18	Change
Trade payables	470.93	321.50	149.43
Acceptances	200.61	177.19	23.42
Total trade payables	671.54	498.69	172.85

Trade payable increased by 34.7% mainly due to increase in creditors due to increased volume of production.

Capital Employed

Total capital employed has increased by 15.8 % from ₹2,981.32 crores as on 31st March, 2018 to ₹3,451.06 crores as on 31st March, 2019.

Average return on capital employed is 11.9% vis-à-vis 10.0 % in 2017-18.

Own Funds

Net worth increased from ₹1,171.73 crores as on 31st March, 2018 to ₹1,293.80 crores as on 31st March, 2019.

The book value per share was ₹13.08 crores as on 31st March, 2018 as against ₹11.88 crores as on 31st March, 2019.

Consolidated

The Company has reported consolidated revenue, operating EBIDTA and profit after tax of ₹2,722.23 crore, ₹440.54 crore, and ₹90.31 crores, respectively. The Company's consolidated financial statement includes the financial performances of the following subsidiaries.

Subsidiary
JSW Cement FZA, Fujariah UAE
Shiva Cement Limited, Rourkela, Odisha
Utkarsh Transport Private Limited, Hyderabad, Telangana

7. Market Developments

In FY 18-19, overall sales increased by 42% over the previous year compared to industry growth of 17%. While total cement sales increased by 55% from 2.9 million MT to 4.5 million MT, GGBS sales increased from 2 million MT to 2.6 million MT. Volume growth in cement is largely driven by the increase of premium category product in Southern markets, improved market reach in eastern markets and improved GGBS sales.

In South, we introduced composite cement at A category pricing in Karnataka, Kerala and Tamil Nadu markets. Sales of our premium product increased by 13% over last year, thus strengthening our trade presence in the top category. The last quarter of the year also witnessed improved demand and subsequently improved pricing power across all regions.

Composite Cement, which we also launched in South Maharashtra and Goa, established strong pricing positions in these markets. In East, Concreel HD continues to enjoy higher pricing above other A category brands and is probably the highest priced cement in many Eastern markets.

GGBS, our other major product in our product portfolio, has also spread its reach in the market by virtue of having added more customers. Today, most renowned RMC players like Lafarge, RMC India, RDC Concrete, etc. are increasingly using GGBS in their concrete applications. As a result, GGBS footprint has increased in the markets of Karnataka, Tamil Nadu, Telangana, Andhra Pradesh in South and Goa, Mumbai and Southern Maharashtra districts in West.

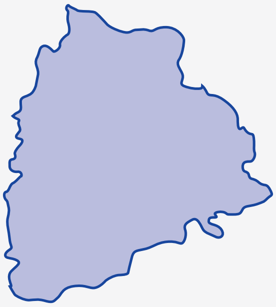
Distribution Development

JSW Cement network currently covers more 4,100 dealers and 6,000 sub dealers and including 1,200 dealers added in FY19, primarily in the new markets. To further strengthen the Company's customer-centric approach, JSW focused on improving customer or channel touchpoints by increasing the field force, rationalizing warehouses, engaging more transporters and 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.

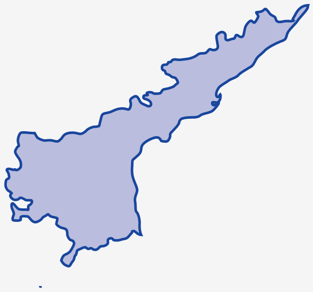
The Company invested significantly in high recall social branding projects, and also in several brand building exercises like new TV Ad, higher branding spends, and better gifts and giveaways for dealers. The social branding projects of the previous year have helped strengthen our relationships in the key markets we operate. We continue to work on such projects to make JSW a brand of choice among customers.

Few Key Social Branding Projects Taken up by JSW Cement in FY2019



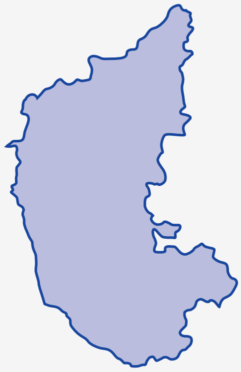
TELANGANA

- Toilets renovation in government college, Khairtabad, Hyderabad
- Toilet construction in government school in Chadmal village, Kamareddy, Nizamabad
- Toilet construction in government school in Rudrangi village, Rajanna Siricilla



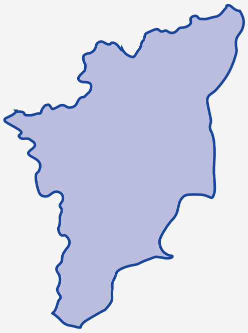
ANDHRA PRADESH

- Toilet construction at community health centre, Nandikotkur, Kurnool



KARNATAKA

- Classroom construction at DKZP higher primary school in Chandalike, Bantwal
- Toilet block construction for both boys and girls at government school at Idoor, Udupi District

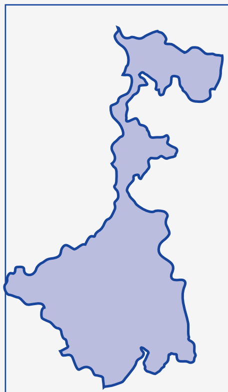


TAMIL NADU

- Toilet construction in government primary school in Thavalakuppam, Pondicherry
- Toilet construction in government primary in Sarkarsamakulam

KERALA

- Dialysis centre
- Toilet construction for Holy Family Convent U. P. School, Mundakunnu



WEST BENGAL

- Reconstruction of school building at Midnapur
- Construction of 100 toilets in Purulia

8. 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 and systems, managing risks appropriately.

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

Competitive dynamics and industrial cyclicality: The risk is managed through widening and deepening customer reach and focus 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 a centralised logistics cell to ensure end-to-end integration and optimisation of infrastructure spend.

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

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

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

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

Finance: The financial risks are managed by proactive tracking of funding and covenants and 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.

9. Green Initiative

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

A combination of technology and policy solutions could provide a pathway to reduce direct CO_2 emissions from the cement industry by 24% below the current levels by 2050, according to a new report by the International Energy Agency (IEA) and the Cement Sustainability Initiative (CSI).

Pursuant to our belief in Green, we continue to strengthen our green initiative , which was born during our inception. 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 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 1 tonne of CO_2 for each tonne of cement, while PSC reduces the production and release of damaging pollutants and greenhouse gasses, particularly CO_2. Hence, PSC 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.

10. 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 that are material to the business operations of the Company.

MID-DAY MEAL AT NANDYAL, ANDHRA PRADESH

Corporate Information

Board of Directors

Mr. Nirmal Kumar Jain
Non-executive Chairman

Mr. Parth Jindal
Managing Director

Mr. Nilesh Narwekar
Whole-time Director and CEO

Mr. Narinder Singh Kahlon
Director Finance and 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. HPVS & Associates
Chartered Accountants, Mumbai

Cost Auditors

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

Secretarial Auditors

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

Bankers

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

Registrar and Share Transfer Agent

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

Registered Office

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

Works

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

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

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

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

Director's Report

Dear Shareholders,

On behalf of the Board of Directors, it gives a great pleasure to present the 13th Annual Report and Audited Financial Statements of JSW CEMENT LIMITED ("the Company") for the financial year ended 31st March 2019.

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 2019 is summarized below:

₹ crores

Particulars	Standalone		Consolidated	
	FY 2018-19	FY 2017-18	FY 2018-19	**FY 2017-18**
Revenue from operations	2,647.33	1,646,34	2,722.23	1,669.50
Other Income	65.60	33.07	49.56	122.60
Total Income	**2,712.93**	**1,679.41**	**2771.79**	**1,792.10**
Expense				
Cost of material consumed	612.58	208.84	671.86	221.44
Purchase of stock in trade	6.15	14.04	2.13	10.06
Changes in inventories of finished, goods, semi-finished goods & stock in trade	7.07	2.93	0.22	(2.48)
Employee benefit expense	143.89	96.65	148.43	100.39
Finance cost	235.72	190.72	237.04	195.38
Depreciation & Amortization expense	107.30	73.20	116.13	81.14
Excise Duty Expense	-	50.61	-	51.39
Power and fuel	434.41	287.00	446.39	299.00
Freight and handling expenses	633.23	389.37	642.75	393.66
Other Expenses	368.96	264.91	379.81	272.58
Captive consumption	(9.90)	(5.04)	(9.90)	(5.04)
Total Expense	**2,539.41**	**1,573.23**	**2,634.96**	**1,617.52**
Profit before exceptional item & tax	**173.52**	**106.18**	**136.92**	**174.58**
Exceptional items	-	-	-	10.12
Profit before tax	**173.52**	**106.18**	**136.92**	**164.46**
Tax expense	55.06	15.49	46.61	6.69
Profit for the period	**118.46**	**90.69**	**90.31**	**157.77**
Share of Profit from associate	-	-	-	(7.93)
Total Profit for the year	**118.46**	**90.69**	**90.31**	**149.84**

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 7.14 MTPA (PSC 3.60 MTPA, OPC 0.66 MTPA, Concreel HD 0.28 MTPA, PCC 0.02 MTPA and GGBS 2.58 MTPA) as compared to production of 4.98 MTPA (PSC 2.60 MTPA, OPC 0.19 MTPA, Concreel HD 0.16 MTPA and GGBS 2.03 MTPA) in the previous year, recording significant/notable increase of 43.38% over previous year. The total sales of PSC, OPC and GGBS during the year under review as 7.08 MTPA (PSC 3.56 MTPA, OPC 0.66 MTPA, Concreel HD 0.28 MTPA, PCC 0.01 MTPAand GGBS 2.57 MTPA) as compared to sales of 4.95 MTPA (PSC 2.57 MTPA, OPC 0.19 MTPA, Concreel HD 0.15 MTPA and GGBS 2.03 TPA) in previous year recording significant increase of 43.03% % 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

According to the Central Statistics Office (CSO), India's economy grew at 6.8% in FY19, a marginal growth from 6.7% in FY20. Despite softer growth, the Indian economy remains one of the fastest growing economies in the world. It is expected to only grow further on the back of sustained rise in consumption and a gradual revival in investments. The growth is also expected to be fuelled by factors such as easier financial conditions, fiscal or quasi-fiscal support, steadily growing export orders and accelerating investment growth as capacity utilisation rises, interest rates decline, and geopolitical tensions and political uncertainty are assumed to wane.

Growth in government final consumption expenditure is pegged at 9.2% in FY20 compared with 10.9% in FY19. Several foreign companies are setting up facilities in India owing to various government initiatives such as 'Make in India' aimed at boosting the domestic manufacturing sector. These initiatives will not only drive manufacturing, but will also create employment opportunities. The government has also undertaken a several initiatives to create education avenues as also to provide a thrust to real estate and infrastructure. Moreover, digitisation is also expected to benefit every sector, ranging from agriculture to manufacturing, as India strives to become one of the early adopters of 5G technology.

The future of the Indian economy, therefore, looks bright, with the country's GDP expected to reach $6 trillion by FY27 on the back of digitisation, globalisation, favourable demographics and economic reforms.

6. Cement Industry Outlook and Opportunities

India is the second-largest producer of cement globally and the cement industry forms a integral part of the country's economy. The sector is dominated by private players and has a large concentration in the South and West of India. 210 large cement plants account for a cumulative installed capacity of over 410 million tonnes, while over 350 mini cement plants have an estimated production capacity of nearly 11.10 million tonnes.

According to ICRA, the industry saw a 13.6% y-o-y increase in volume to 275.7 million metric tonnes in the first 10 months of FY19. This growth was primarily driven by rural and affordable housing, and demand and improved focus on infrastructure segments such as road, metro and irrigation projects. The government's 'Housing For All' initiative is expected to augur well for the cement sector. The real estate market in India is expected to reach $1 Trillion by 2023 from US$ 120 billion in 2017. Moreover, rural housing is expected to witness strong growth including low-cost housing. Both these factors are expected to amplify demand for cement in the country. The government's thrust on infrastructure through projects such as Dedicated Freight Corridors (DFCs), Smart Cities Mission and ports will further propel the sector. On the back of these factors, India's cement industry is expected to produce a capacity of 550 million tonnes by 2025 and the industry is expected to grow at a CAGR of 5-6% until FY2020.

In the upcoming 10 years, India is expected to become the main exporter of clinker and gray cement to the Middle East, Africa and other developing nations of the world. Cement plants near the ports, for instance, the plants in Gujarat and Visakhapatnam, will have an added advantage for exports and will be well-equipped to face stiff competition from cement plants in the interior of the country. With help from the government in terms of friendlier laws, lower taxation and more infrastructure spending, the sector is expected to grow and take India's economy forward along with it.

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

a. Additional 6 bays of truck loading system have been completed to increase dispatch from the plant.

b. To streamline dispatches via Rail, 1.2 km of railway line and platform at Panyam siding has been completed and a Detailed Project Report (DPR) has been approved by Railway Authorities to connect it to the main line.

c. A covered Coal Yard has been completed in compliance with APCB (Andhra Pradesh Pollution Control Board).

d. Coal Dust Cyclones have been installed to increase efficiency of kiln combustion process.

e. Solar power plant of 5.45 MW, 5 MW ground mounted and 0.45 MW on roof top, has been commissioned. This would reduce dependency on grid power and would help reduce energy cost and thereby manufacturing cost.

f. Installed Liquid Alternative Fuel feeding System for calciner firing in April 2018 which saved Rs. 227.8 lakhs in the financial year of 2018-19. Such saving will continue every year.

g. Installed Solid Alternative Fuel feeding system in October 2018 which saved Rs.104.6 lakhs in the financial year 2018-19. This will be a recurring saving every year.

h. Installed Carbon black firing feeding system in coal mill in April 2018 which saved Rs.1113.2 lakhs in the financial year of 2018-19. This will be a recurring saving every year.

i. A 1600 MT OPC steel silo project has been completed in September 2018, resulting in saving of Rs.1113.2 lakhs in the financial year of 2018-19. Such saving will continue every year.

j. The Company plans to increase Clinker production capacity from 6000 TPD to 8500 TPD and feasibility study to increase clinker capacity has been completed.

k. Engineering work is under progress for launching a new cement product i.e. Portland Composite Cement by December 2019.

7.2 Vijayanagar, Karnataka

- Present plant capacity is 3.2 MTPA , consisting of 4 RP's and one VRM.
- Portland Composite Cement project has been commissioned in January, 2019.
- Engineering study is under progress for increasing the capacity from 3.2 MTPA to 4.0 MTPA.
- The Company is also working on feasibility to add another grinding unit of 2.0 MTPA to increase capacity up to 6.0 MTPA.
- Green belt developed around the plant by planting 5000 trees.
- Acquisition of Slag Sand plant from JSW Steel.
- RMC requirement for JSW steel expansion project will be supplied from four batching plants is being set up.
- 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.

7.3 Salboni, West Bengal

- The Company has also installed its own railway siding to receive raw materials viz. imported clinker and slag by rail, and also mechanized wagon loading system, to dispatch its products by Rail. The railway siding and wagon loading have been Commissioned on May 2018 while the wagon tippler has been commissioned on January 2019.
- Composite Cement Project is nearing completion and it is expected to commission by July 2019.
- Solar power plant-3 MW ground mounted & 0.5 MW Roof top plant has been commissioned and 0.18 MW Captive power plant is under construction by JSW Energy. This would make the plant self sufficient. Power plant is scheduled for completion by August 2019

7.4 Dolvi, Maharashtra

- The Company has commissioned 1.2 million MT in March 2019 comprises of one unit of Roller Press of 180 TPH capacity. This would allow Company to strengthen its market in west region. This has increased the production capacity from 1.0 mtpa to 2.2 million MT.

- The Company also plans to further increase cement capacity in line with the increased availability of slag from JSW Steel. A feasibility report has been prepared, master plan has been formalized and technical discussions with various OEM supplier is under progress and is expected to be completed by 2020.

7.5 Shiva Cement, Rourkela, Orissa

The Company plans to install a new clinkerisation unit of 1.5 MTPA 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.

- Regulatory approvals for expansion

  - Consent to establish (CTE) approved for expansion of mines from 0.12 to 0.345 MTPA. Letter is awaited.

  - Consent to Operate (CTO) has been submitted on 15.08.2018 and approval is under process for Portland Pozzolona Cement (PPC) and Increase in clinker capacity from 9625 TPM to 13750 TPM and cement capacity form 11000 TPM to 21000 TPM.

- Project activities for new 1.0 MTPA clinker Plant

  - Tender document with layout is under progress by project team departmentally and will be completed in June 2019.

  - Final copy of mining plan for 1.5 MTPA after rectification of scrutiny comment will be submitted to IBM on 22th April 2019. Mining plan approval is expected in May' 2019.

  - Consultant for obtaining environment clearance from MOEF for 1.5 MTPA mining has been finalized.

7.6 Jajpur, Orissa

- A grinding unit of 1.2 MTPA capacity, comprises of 1 Unit of Roller Presses of 180 TPH capacity is being installed at Jajpur, Odisha to cater market share in the state of Odisha. The Construction work is under progress and is scheduled for completion by June 2019.

7.7 Fujairah, UAE

- As a part of its growth strategy, The Company has acquired high grade lime stone mines at Fujairah, UAE through its wholly owned subsidiary JSW Cement FZE. The plan is to have mining capacity of 10 MTPA and 1.0 MTPA Clinker plant. Mine Development and haul road preparation is in progress. The limestone excavated is being crushed and screened using mobile crushing and screening unit. The high grade limestone is being exported to India while low grade screen rejects, being stacked at site, will be utilized for the production of Clinker near to mines.

- JSW Cement FZE has planned two separate lines of crushing & screening, one for 4.0 MTPA capacity and other for 6.0 MTPA capacity. The first line of 4.0 MTPA crushing and screening at mines has been commissioned in February 2019 and trial runs are going on. Second line of additional 6.0 MTPA crushing and screening unit is planned to be commissioned by May 2019.

- Setting up of Clinkerisation unit of 1.0 MTPA close to the mines is in progress and kiln firing is expected to be completed by first quarter of FY 2020.

- In October 2018, the local power grid, FEWA, introduced an Industrial Initiative Scheme with reduced power tariff and other benefits for industries. Accordingly, plan to install captive power plant to meet power requirement has been deferred and power shall be sourced from FEWA. Process has been initiated to obtain necessary approval / permits / sanctions from relevant local authorities for the same. A 33/11 kV substation would also be installed at the clinker plant site.

7.8 New Mines / Auction status

(a) Gujarat:

- The Company won Mudhvay sub block D in Kutch district in May 2017, through the auction process, thereby securing limestone mines with 125 Million Tonnes Geological resources.
- The Company has subsequently got approval from IBM for the proposed mining plan in September 2018.
- The Company signed MoU with Government of Gujarat in January 2019 during the Vibrant Gujarat Summit 2019 for setting up of Clinker Plant in Kutch district.
- The Company at present is in process of obtaining statutory clearances for commencement of mining operations by FY 21.

(b) Rajasthan:

- The Company won 3B2 Limestone block in Nagaur district in Feb 2018, through the auction process, thereby securing limestone mines with 205 Million Tonnes Geological resources.
- The Company has subsequently got approval from IBM for the proposed mining plan in September 2018 and got terms of reference (ToR) from MoEF & CC, New Delhi for grant of environment clearance (EC) for mining in December 2018.
- The Company at present is in process of obtaining statutory clearances for commencement of mining operations by FY 22.

8 Holding and Subsidiary Company

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

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

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

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

9 Internal Control, Audit and Internal Financial control

Internal control

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

Internal audit

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

Internal Financial Controls

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

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

10 Credit Rating

Credit Analysis and Research Limited (CARE) has conducted annual surveillance and rated long term loans as "A" and short term loans as "A1" due to ongoing capex and considering high debt leverage on account of expansion projects despite the improvement in Company's operational performance.

11 Fixed Deposit

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

12 Directors and Key Managerial Personnel

The Company has a balanced mix of Executive, Non-Executive and Independent Directors. As at 31st March 2019, the Board comprises of 10 Directors of which three 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. Narinder Singh Kahlon (DIN-06908109) has been appointed as Whole-Time Director and designated as Director Finance with effect from 8th May 2018. He continued to be Chief Financial Officer of the Company.

According to provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Pankaj Kulkarni (DIN-00725144), 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 four times during the year under review on 8th May 2018, 3rd August 2018, 24th October 2018 and 5th February 2019.

13 Share Capital:

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

The issued, subscribed and paid up equity share capital of the Company as on 31st March 2019 was ₹9,86,35,22,300/-(Ninety hundred Eight Six Crores Thirty Five LakhsTwenty TwoThousand Three Hundred only), comprising of 98,63,52,230, (Ninety Eight Crores Sixty Three Lakhs Fifty Two Thousand Two Hundred Thirty) Equity shares of ₹10/- (Rupees Ten) each.

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

Mr. Jugal Kishore Tandon, Mr. JaiprakashNarain Lal and Ms. Sutapa Banerjee, 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 30th March 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 21st May 2016 and further amended in Extra-Ordinary General Meeting held on 30th May 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	1,34,88,024
Options Vested	Nil
Total number of shares arising as a result of exercise of option	Nil
Options lapsed	18,71,013
Exercise Price (Rs.)	42.77
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. Nilesh Narwekar - 2,26,707 Mr. Narinder Singh Kahlon - 1,71,328 Mr. Rahul Dubey - 35,122
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. It comprises of both assessment and review. This include analysis of how the Board and its committees are functioning, the time spent by the Board in considering the matters and whether the terms of reference of the Board & committees have been met,

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

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

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

20 Policy

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

20.1 Whistle Blower Policy and Vigil Mechanism

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

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

20.2 Corporate Social Responsibility (CSR) Policy

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

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

20.3 Company's policy on appointment and remuneration

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

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

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

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

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

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

20.4 Risk Management and Areas of Concern

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

21 Auditors

21.1 Statutory Auditors

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

21.2 Cost Auditors

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

The Cost Audit Report for the financial year 2017-18, on audit of cost accounting records by the Cost Auditor, was filed on 26th July 2018.

21.3 Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board has appointed M/s. S. K. Jain & Co., Practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report is annexed as Annexure-B and forms an integral part of this Report.

21.4 Auditor's Remark

The Factory Inspector has visited the plant located at Dolvi, Maharashtra. The Secretarial Auditor has mentioned the comment of Factory Inspector in the report. A reply of this has been submitted to the office of the Factory Inspector. The reply to the office of Factory Inspector includes the name of Medical Officer, Welfare Officer, Safety Officer and about silica content at working environment. Further, as the Dolvi unit is located within the premises of the JSW Steel Limited, hence, the Company is using the facilities of OHC, ambulance, Van, Kitchen of JSW Steel Limited.

The manufacturing unit of Salboni, West Bengal location is new unit and the unit is taking necessary step for submission of Form ER-1 and ER-2 required pursuant to the provisions of the Employment Exchange Act, 1959. Further, the Company is also in process of taking necessary steps to avoid such remarks in future.

22 Related Party Transactions

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

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

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

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

24 Particulars of Loans, Guarantees, Investments and Securities:

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

25 Material Change and Commitments:

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

26 Significant and material orders passed by the regulators:

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

27 Extract of Annual Return:

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

28 Compliance with Secretarial Standards:

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

29 Awards and Recognition

The Company has received awards and accolades from the Government and Non-Governmental Organizations/ Associations detailed as hereunder:-

30 Human Resource:

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

Capability Development

The HR interventions of the Company focuses on skilling the existing workforce and empowering them to step beyond their defined roles. Emphasis is laid on ensuring that every employee is well informed with the Standard Operating Procedures on quality and compliance. Shop floor team are continuously trained and groomed in the area of compliance, supported adequately to raise their competence, confidence and anytime readiness.

We had undertaken the target to mark FY 19 as year of capability development for our entire sales workforce to further facilitate the growth agenda of the organization. Wave of "CHAMPION OF SALES" was launched during the year covering a total of 308 employees in sales and marketing function. The program was efficiently designed to include class room training followed by application of the learning through on the job projects. Close to 1232 man-days of class room training was imparted leading to several live projects which proved to be a significant lever in achieving the business objectives as well as improve efficiency and effectiveness of sales.

To further strengthen our capability development initiative and focus on developing leaders for tomorrow, the company plans to launch an initiative titled LEAP - building 'cement fit' leaders. The program will help the Company to identify high performing team members and to develop them to occupy higher roles. This will help provide career and growth opportunity for the employees as well as help the Company focus on succession planning.

Employee Engagement

JSW Cement believes in a culture of inclusion, trust, empowerment and development for employees. JSW Cement has been able to keep the employees motivated and dedicated through people friendly HR policies, HR initiatives and various welfare measures. The Company maintained cordial and harmonious Employee relations in all our manufacturing units and sales locations. Several Employee Engagement initiatives like - Employee Sports, Family Picnic, Family Get-together, Summer Camp for Employees Children, Celebrations on achievements have significantly helped in improving the work culture, enhancing productivity and enriching the quality of life of the people in the Organization.

31 Occupational Health & Safety (OH&S)

The Company's primary objective is to achieve OH&S by providing training to its employees through various training programs. Presently, the Company is conducting various internal and external training programs like tool box talk, fire-fighting awareness class, implementation of 5S technique for improvement in housekeeping & safety, strengthening of LOTO (Lock out and Tag out) systemby 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 incidentare as under:

a. Nandyal- 2608 days
b. Vijayanagar- 152 days
c. Dolvi - 2988 days
d. Salboni - 424 days

32 Directors' Responsibility Statement

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

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

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

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

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

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

33 Particulars of Employees

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

34 Conservation of energy, technology absorption and innovation

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

35 Foreign exchange earnings and Outgo

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

36 Appreciation

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

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

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

For and on behalf of the Board
JSW Cement Limited

Chairman

Date: 3rd May 2019
Place: Mumbai

Annexure-A

Report on CSR Activities/Initiatives

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

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 ₹463.15 lakhs on various CSR initiatives in Bilakalagudur & Bujunur villages, Gadivemula Mandal, Nandyal, Andhra Pradesh; Jambedia and Asnasuli and other DIZ villages, Salboni, West Bengal; Torangullu, Vijayanagar, Karnataka and two Gram Panchayat (Kandeimunda & Khatkurbahal) of Kutra block, Rajgangpur, Sundergarh district, Odisha during the FY 2018-19. The comprehensive summary of the initiatives undertaken by the Company are as under:

1. **Improving Living Conditions:** The Company has incurred ₹123.20 lakhs for initiative undertaken to improve the living conditions of inhabitants around the plant and the brief details of activities undertaken are as under:

   - Health Camp have been organized in all the DIZ villages which includes 364 mobile health camps, services through static clinic and special health camps for diabetic & hypertension, anemia, dental, chest, nephrology. Blood donation camps has also been organized and 143 units of blood have been donated. Steps have been taken to door to door screening to control non communicable diseases. These activities cover 30,000 persons of 43 DIZ villages.
   - Lab technicians and staff nurses have been engaged to strengthen mother & child health care & to provide general health services at Primary Health Centre, Gadivemula Mandal, Nandyal. Total 24098 beneficiaries were benefited.
   - 18456 persons were counselled with the help of Bhoruka Charitable Trust, Nandyal through the HIV/AIDS prevention program.
   - Awareness campaigns on personal hygiene, sanitation and prevention of malaria and 16,000 persons of DIZ Villages of Nandyal & Rajgangpur were beniffited.
   - A water purifying unit has been installed at Primary Health Centre (PHC), Gadivemula for the benefit of the patients.
   - Maintenance of 2 RO water plants, installed one each at Bilakalagudur and Bujunur villages, have been carried out on regular basis to provide safe drinking water to the population around 8,000.

2. **Promoting Social Development:** The Company has incurred ₹245.07 lakhs for promoting social development and the activities undertaken are as under:

   - To ensure good kitchen hygiene and to ensure food safety in mid-day meal, 5 modular kitchens were provided to Government schools of Gadivemula Mandal and 1290 students were benefited.
   - Renovated 9 class rooms in 3 schools of Gadivemula Mandal. Around 810 students got benefitted.
   - Provided study material kits to 1200 students studying in Govt schools of Rajgangpur, Odisha.
   - Installed water purifiers in 13 Govt schools of Gadivemula Mandal, and 7 schools & 13 anganwadis of Kutra block for access to purified drinking water at schools. The total number of persons likely to benefit from the initiative is 3200.
   - Provided 81 bicycles to girl students to encourage them for pursuing secondary education.
   - Established 20 digital classrooms in 13 government schools of Gadivemula Mandal, 11 Digi classes in 5 schools of Kutra block and 6 Digi Classes in 3 schools of Jambedia and Asnasuli Villages, to improve the quality of the education of the students and to build strong conceptual understanding in the students.
   - Provided tuition support to 90 students appearing in secondary board examination.
   - Services of 5 vidya volunteers engaged to teach computers, social studies (Urdu) and Urdu language.

- Provided scholarships to 42 meritorious students from four high schools & four primary schools for promoting secondary education and to reduce dropout rate in upper primary & primary sections.
- Provided Uniforms & Notebooks to 400 students studying in Govt primary & upper primary schools of Bilakalagudur & Bujunur villages.
- Organized anemia screening & General Health camps at government schools. Provided medicine & created awareness on anemia & its associate factors, prevention & control of anemia and awareness on oral hygiene. Around 2250 students got benefitted.
- Provided sanitary napkins to 500 girl students of 7th to 10th class to promote menstrual hygiene and installed incinerators at schools for safe disposal of sanitary napkins.
- Created awareness for rural women about personal/menstrual hygiene and providing sanitary napkins to 603 women every month.
- Imparting skills in tailoring to rural women of Gadivemula Mandal to improve their economic status. 276 women are availing training on stitching of clothes, Saree Painting, Acid & Phenyl making and making Jute diversified products.
- Established 2 tailoring units in Kutra block for the benefit of 60 women.
- Organized training programs and hand holding support to 200 SHGs women focusing book keeping, credit linkage, skill development on agriculture, gottary, mushroom cultivation and tailoring etc. in Salboni.
- Provided Student Desks to 7 government schools of Toranagallu and 850 students got benefitted.
- Provided utensils to 13 anganwadi centers in Toranagallu, Karnataka and 390 students got benefitted.

3. **Addressing Environmental issues:** The Company has incurred ₹5.50 lakhs for addressing social inequalities and the activities undertaken are as under:
    - 2500 saplings were planted in DIZ villages.
    - Installed 28 more solar street lights & maintenance of 82 solar street lights in Gadivemula Mandal & 50 solar street lights in Kutra block.

4. **Rural Development:** The Company has incurred ₹56.52 lakhs for rural development and the activities undertaken are as under:
    - Constructed CC drains in Bilakalagudur village. Around 5000 people are benefitted.
    - Renovation of the Gadivemula Bus station & installed an RO unit at Bus Station.
    - Installed 2 RO units in Kutra block.

5. **Swachh Bharath Mission:** The Company has incurred ₹10.13 lakhs for Swachh Bharath Mission and the activities undertaken are as under:
    - Constructed toilet blocks at 13 schools of kurta block for the benefit of around 1250 students.
    - Spreading awareness about good sanitary habits and use of toilets by organizing awareness camps, door to door distribution of leaflets, skits performed by local students in nearby villages and schools of Gadivemula mandal.
    - Conducted swacch village program with the participation of employees for cleaning of streets, removing roadside bushes & dirt at Bilakalagudur & Bujunur villages.
    - Renovated Gadivemula Bus station and installed a water purifying unit for the benefit of passengers.

6. Expenditure on other administrative and capacity building activities: ₹22.73 lakhs.

B. The composition of the CSR Committee

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

C. Average Net Profit of the company for last 3 financial years: ₹98.53 crores

D. Prescribed CSR expenditure (2% of amount): ₹1.97 crore

The Company has voluntarily proposed ₹5.00 crore for CSR Activities. ₹3.03 crores above ₹1.97 crore (2% as prescribed by the Companies Act, 2013).

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

a) total amount spent for the financial year: ₹463.15 lakhs,

b) amount un-spent, if any: Nil (as the Company proposed voluntary ₹3.03 crores above ₹ 1.97 crores)

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.	1. Local area: Village-Bujunur, Gadvimulla, Bilakalaguduru, Bujunur, District-Kurnool, State: Andhra Pradesh 2. Local Area: Villages- Asnasuli, Dhnyasole, Baskopna, Sitanathpur, Salgaria, Barju, Kashijora, Chandankath and Pathrajuri, District- Paschim Medinipur State: West Bengal 3. Local Area: Village- Telighana, Kandeimunda, Katkurbahal, Kulenbahal, Falsakani and Sobarsa District- Sundharghar State: Odisha	123.20	Direct Expenses- 440.42 Overheads 22.73	123.20	Direct/ implementing agency Kurunga,
2	Promoting Social Development	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	1. Local area: Village-Bujunur, Gadvimulla, Bilakalaguduru, Bujunur, District-Kurnool, State: Andhra Pradesh. 2. Local Area: Villages- Asnasuli, Dhnyasole, Baskopna, Sitanathpur, Salgaria, Barju, Kashijora, Chandankath and Pathrajuri, District- PaschimMedinipur State: West Bengal 3. Local Area: Village- Telighana, Kandeimunda, Kurunga, Katkurbahal, Kulenbahal, Falsakani and Sobarsa District- Sundharghar State: Odisha 4 Local Area : Torangallu, Vijayanagar, State : Karnataka	245.07		368.27	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 <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***
3	Addressing Environmental Issues	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	1. Local area: Village- Bujunur Bilakalaguduru, and Gadvimulla District-Kurnool State: Andhra Pradesh 2. Local area Village- Telighana, Kandeimunda, Kurunga, Katkurbahal, Kulenbahal, Falsakani and Sobarsa District- Sundharghar State: Odisha	5.50		373.77	Direct/ implementing agency
4	Rural Development	Rural development projects	1. Local area: Village- Bujunur Bilakalaguduru, and Gadvimulla District-Kurnool State: Andhra Pradesh 2. Local area: Village- Telighana, Kandeimunda, Kurunga, Katkurbahal, Kulenbahal, Falsakani and Sobarsa District- Sundharghar State: Odisha	56.52		430.29	Direct/ implementing agency
	Swachcha Bharat Abhiyan	Sanitation	1. Local area: Village-Bujunur Bilakalaguduru, and Gadvimulla District-Kurnool State: Andhra Pradesh 2. Local Area: Village- Telighana, Kandeimunda, Kurunga, Katkurbahal, Kulenbahal, Falsakani and Sobarsa District- Sundharghar State: Odisha	10.13		440.42	Direct/ implementing agency
5	Administration & Capacity Building Expenses	Administration & Capacity Building Expenses		22.73		463.15	Direct

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

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

For and on behalf of the Board
JSW Cement Limited

Nirmal Kumar Jain
Chairman
(DIN-00019442)

Kantilal Narandas Patel
Chairman - CSR
(DIN-0075144)

Date : 3rd May 2019
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 2019

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, 2018 to 31st March, 2019** ("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, 2018 to 31st March, 2019** 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 Regulations & the Bye-laws, 1996 thereunder;

    (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment; The Company has not availed any Foreign Direct Investment and External Commercial Borrowings during the period under review. The Company has granted Unsecured Loan of ₹104.73 crores to JSW Cement FZE at Fujairah, UAE, a Wholly Owned Subsidiary of the Company.

    (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, 2015; **(Not Applicable since it is an Unlisted Public Company)**

        iii. 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;

        iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable since Company has not issued securities at any Stock Exchanges)**

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

        vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities)

Regulations, 2008; **(Not Applicable since Company has not issued debt securities at any Stock Exchanges)**

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

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

II Other laws specifically applicable to the Company are:

a) The Mines Act, 1952;

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

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

d) The Explosives Act, 1884;

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

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

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

During the year, The Company has filed certain E-forms MGT-14 u/sec 117 r/w sec 179(3) of the Companies Act, 2013 and rules made thereunder for resolutions passed in the meeting of Board of Directors and Special Resolutions passed by Shareholders in General Meetings along with payment of Additional Filing Fees.

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, the Company has appointed Mr. Narinder Singh Kahlon as Additional Director with effect from 8th May, 2018. Mr. Narinder

Singh Kahlon has been appointed as a Regular Director at the Annual General Meeting held on 27th September, 2018 and has also been appointed as Whole Time Director of the Company for a period of three years from 8th May 2018 to 7th May 2021 and designated as Director Finance upon terms and conditions as are set out in the Resolution and/or Agreement.

- The Company has appointed Mr. Nilesh Narvekar as the Occupier of Plants located at Nandyal, Andhra Pradesh; Vijaynagar, Karnataka; Dolvi, Maharashtra and Salboni, West Bengal with effect from 8th August 2017. He has also been appointed as Chief Executive Officer (CEO) with effect from the 24th October 2018.

- The Members of the Company at EOGM held on June 06, 2018 have passed Special Resolution in terms of section 185(2) of the Companies Act, 2013 enabling the Company to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with loan taken by any person in whom any of the Director of the Company is interested for the aggregate amount not exceeding ₹1000 crores.

- The Members of the Company at EOGM held on February 11, 2019 have passed Special Resolution in terms of Section 185 of the Companies Act, 2013 enabling the Company to advance unsecured loan and/or Intercorporate deposits to Sajjan Jindal family trust in which any of the Director of the Company is interested for the aggregate amount up to ₹10 crores.

I further Report that

1. *The inspector of factories had inspected the Dolvi plant of the Company on 28th February, 2019 and submitted his Inspection Report on 1st March, 2019. In the said Report the observations for compliance by the Company have been made for maintenance of Ambulance, Van, Canteen, Lunch Room and Restrooms, submissions of details of Welfare Officer, Factory Medical Officer and Safety Officer, monitoring of Silica content in the work environment not exceeding its TLV, preparation and maintenance of Work Permit System, provision of work rooms with an unimpeded passage leading to exits providing continuous means of egress to the exterior of the building.*

2. *The Company has not submitted Form ER-1 and ER-2 under Employment Exchange Act, 1959 at Salboni Plant, West Bengal.*

ANNEXURE - I

1. Memorandum & Articles of Association of the Company.

2. Annual Report for the Financial Year ended 31st March, 2018.

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 and attachments thereto during the Financial Year under Report.

ANNEXURE - II

<u>List of applicable laws to the Company</u>

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 egal Metrology Act, 2009

xix. The Bureau of Indian Standard Act, 1986;

xx. The Karnataka Welfare Fund Act, 1965

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

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

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

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

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

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

xxvii. The Gas Cylinder Rules, 1981;

xxviii. The West Bengal Factories Rules, 1958;

xxix. The Maharashtra Factories Rules, 1963;

xxx. The Andhra Pradesh Factories Rules,1950;

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

ANNEXURE - III

Registered & Corporate Office

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

Mills:

Vijayanagar Works:
P.O. Vidyanagar, Torangallu Village,
Sandur Taluk, 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 (ViyaSalboni),
PS- Salboni, District- Paschim Medinipur,
West Bengal - 421147.

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 sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis-** Not Applicable
2. **Details of material contracts or arrangement or transactions at arm's length basis-** For details of transactions during the year refer note 34(i) of the financial statements. The materials transactions are as under:

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

For and on behalf of the Board

JSW Cement Limited

Nirmal Kumar Jain
Chairman
(DIN-00019442)

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

Date : 3rd May 2019
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	74%
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, BandraKurla Complex, Bandra (East), Opp. MMRDA Ground, Mumbai, Maharashtra	U74140MH2014 PTC251934	Holding Company	90.54	2
2.	Shiva Cement Limited	L269420R1985 PLC001557	Subsidiary Company	53.5	2
3.	JSW Cement FZE, Fujairah, UAE	-	Subsidiary Company	100	2
4.	Utkarsh Transport Private Limited	U60221TG2018 PTC124102	Subsidiary Company	100	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.	98,63,51,730	500	98,63,51,730	100	98,63,51,730	500	98,63,51,730	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	98,63,51,730	500	98,63,51,730	100	98,63,51,730	500	98,63,51,730	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)	**98,63,51,730**	**500**	**98,63,51,730**	**100**	**98,63,51,730**	**500**	**98,63,51,730**	**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.	89,30,67,550	90.54	-	89,30,67,550	90.54	-	-
2	JSW Investments Pvt. Ltd.	4,15,89,726	4.22	-	4,15,89,726	4.22	-	-
3	Danta Enterprises Pvt. Ltd	2,60,00,000	2.09	-	2,60,00,000	2.09	-	-
4	Glebe Trading Pvt. Ltd.	2,06,42,340	2.64	-	2,06,42,340	2.64	-	-
5	JSL Limited	50,52,114	0.51	-	50,52,114	0.51	-	-
6	Mr. Seshagiri Rao*	100	0.00	-	100	0.00	-	--
7	Mr. K N Patel*	100	0.00	-	100	0.00	-	-
8	Mr. P K Kedia*	100	0.00	-	100	0.00	-	-
9	Mr. Jayant Acharya*	100	0.00	-	100	0.00	-	-
10	Mr. Balwant Ranka*	100	0.00	-	100	0.00	-	-
	Total	**98,63,52,230**	**100**	**-**	**98,63,52,230**	**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.	89,30,67,550	90.54	-	-	-	-	-	-
2	JSW Investments Pvt. Ltd.*	4,15,90,226	4.22	93,46,57,776	94.76	-	-	-	-
3	Danta Enterprises Pvt. Ltd	2,60,00,000	2.09	96,06,57,776	96.85	-	-	-	-
4	Glebe Trading Pvt. Ltd.	2,06,42,340	2.64	98,13,00,116	99.49	-	-	-	-
5	JSL Limited	50,52,114	0.51	98,63,52,230	100	-	-	-	-

*Including Nominee Shareholding

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative 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 beginning of 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

*Nominee of JSW Investments Private Limited

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	2,023.27	340.27	-	2,363.55
ii) Interest due but not paid	0.53	-	-	0.53
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**2,023.80**	**340.27**	**-**	**2,364.08**
Change in Indebtedness during				
the financial year				
* Addition	806.50	31.93	-	838.43
* Reduction	(164.19)	(285.00)	-	(449.19)
Net Change	642.31	(253.07)	-	389.24
Indebtedness at the end of the financial year				
i) Principal Amount	2,665.95	87.21	-	2,753.15
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.16	-	-	0.16
Total (i+ii+iii)	**2,666.11**	**87.21**	**-**	**2,753.31**

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 (MD)	Mr. Nilesh Narwekar (WTD & CEO)	Mr. Narinder Singh Kahlon (WTD & CFO)	
1	Gross salary (₹) (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,98,89,356	2,17,56,534	1,35,60,260	5,52,06,150
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	10,000	10,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Optiion	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	1,06,06,361	-	-	1,06,06,361
5	Others, please specify	-	-	30,00,000	30,00,000
	Total (A)	**3,04,95,717**	**2,17,56,534**	**1,65,70,260**	**6,88,22,511**

Ceiling as per the Act :- ₹11.84 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	12,00,000	8,50,000	7,50,000	-	28,00,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	**12,00,000**	**8,50,000**	**7,50,000**	**-**	**28,00,000**
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	12,00,000	-	10,00,000	-	22,00,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	12,00,000	-	10,00,000	-	22,00,000
	Total (B)=(1+2)	24,00,000	8,50,000	17,50,000		50,00,000
	Total Managerial Remuneration	**-**	**-**	**-**	**-**	**6,88,22,511**

Overall Ceiling as per the Act :- ₹13.03 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	25,82,656	-	25,82,656
	(b) Value of pe rquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	**25,82,656**	**-**	**25,82,656**

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

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: There were no penalties / punishment / compounding of offences during the year ended 31st March 2019.

Annexure E

Section 197 of the Companies Act, 2013

a) Employed throughout the financial year and in receipt of remuneration aggregating ₹1.02 crores or more per annum.

Sr. No.	Name	Designation	Remuneration (₹ lakhs) P.A.	Qualification	Total Experience (No.of years)	Age (years)	Date of commencement of employment	Previous employment with
1	Mr. Parth Jindal	Managing Director	304.95	MBA-Harvard Business School	6	28	20th June 2016	JSW Steel Limited
2	Mr. Nilesh Narwekar	Whole Time Director and CEO	217.56	B.Tech. (Electr. & Commn), MBA	25	48	17th July 2017	PWC
3	Mr. Narinder Singh Kahlon	Director Finance and CFO	165.70	Chartered Accountant,	25	52	4th February, 2014	JSW Infrastructure Limited
4	Mr. G Veera Babu	Senior Vice President	133.66	B.E.	33	57	2nd August 2017	Dangote Cement PLC
5	Mr. Hitendra Jariwala	Senior Vice President	128.63	MBA,BSC (Engg)	30	53	22nd March 2018	Chettinad Cement Ltd

b) Employed for part of the financial year and in receipt of remuneration aggregating ₹8.50 lakhs or more per month

Sr. No.	Name	Designation	Remuneration (₹ lakhs) P.M.	Qualification	Total Experience (No.of years)	Age (years)	Date of commencement of employment	Previous employment with
1	Mr. Kuppuswamy Swaminathan	Senior Vice President	18.93	M.Com.,ICWA, CA,ACCA	34	58	29th August 2018	Dalmia Bharat Cement Ltd.
2	Mr. Gautam Mukhopadhyay	Vice President	8.63	M.Com., MBA	23	53	14th November 2018	ACC Ltd.,
3	Mr. Surjayan Mukherjee*	Vice President	9.03	B.E.	8	48	9th May 2017	Nuvoco Vistas Corp Ltd.
4	Mr. Pankaj Kumar Sharma*	Senior Vice President	12.54	B.E.	19	42	22nd December 2017	Century Tex & Industries 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. VFD installed for bag filter fan of old Roto-Packer to achieve the energy savings by reducing the speed according to operation requirement.

b. One blower is running for all 3 new Roto-Packer instead of 3 blowers in operation to achieve the saving in energyof 65000 kWh annually.

c. Replacement of 300 nos. 160W HPSV lamps with 70W LED fittings to reduce energy consumption and 50 Nos. 250W streets light with 150W LED fitting.

d. With optimized running of VRM (GGBS) power consumption got reduced by 13% i.e. from 36.58 (FY18) units to 31.92 units (FY19).

e. RP (GGBS) power consumption got reduced by 9% i.e. from 33.94 units (April, 2018) to 30.76 units(April 2019).

f. RP (OPC) power consumption got reduced by 1% i.e. from 32.09 units (April 2018) to 31.76 units (April 2019).

B. NANDYAL

a. Carbon black feeding system consumed 3381 MT in coal mill and firing in calciner which has reducedthe Coal consumption by 1.9%.

b. The coal consumption reduced after utilizing 6851 MT of waste liquid as alternate fuel from pharmaceutical companies and achieved TSR of 1.43 %.

c. Cake breaker installation in Slagmill-1 will improve the separation of material in separator which has increased the mill output and power consumption reduced by 0.3 kWh/ MT.

d. Bag House material entry modified. Material entry line given in hopper in Slagmill-1 which has helped in reduction of frequent stoppages due to High DP and increased the life of bag filter bags, resulting in optimized operation as well as saving in energy approximately 0.1 KwH/Material.

e. Conversion of plant lighting from HPSV fittings to LED fittings (1200 nos.) to reduce power consumption saving of Rs. 9.98 lakhs/Year.

f. Usage of Open Access & Solar power to reduce power cost, which has helped in saving Rs. 336.33 Lakhs.

C. DOLVI:

a. Lighting power consumption reduced due to installations of LED lighting in VRM-2 Section and after implementation, savings 750 Units/Day @ cost ₹8.70 per unit.

b. 500 KVAR Capacitor bank installed in VRM-2 led to improvement in power factor by 1% i.e. from 0.984 to 0.995.

c. Energy efficient Compressor installed and after Implementation saving is 1166 Kwh/Day.

d. Change of voltage level from 22KV to 220KV the electrical unit cost has been reduced.

D. SALBONI:

a. Reduction of power consumption in PSC grinding by 15% (44.08 units to 37.35 units per MT) and CHD grinding by 15% (44.09 to 37.63 units per MT)

b. 22% Reduction of coal consumption in OPC (12.48 kg/T to 9.73 kg/T).

c. 54% Reduction of fuel oil in OPC (3.22 L/T to 1.48 L/T) and 67% reduction of Fuel oil in GGBS (2.97 L/T to 0.98 L/T).

d. 31% Reduction of Unit cost of Power (12.40 ₹/kWh to 8.57 ₹/kWh)by optimising the plant operations and reducing the contract demand as per the requirement of the plant

e. Solar power generation of 3,479,778 kWh in FY19.

Corporate Governance

Report on Corporate Governance for the Year 2018 - 19

1. Company's Governance Philosophy

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

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

2. Governance Structure

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

2.1 The Board of Directors:

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

2.2 Committees of Board

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

2.3 Executive Management

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

2.4 The Compliance Framework

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

2.5 Independent Directors Meeting

A meeting of the Independent Directors of the Company was held without the presence of Non-

Independent Directors and management of the Company every year. The Independent Directors discussed and evaluated the performance of the Non-Independent Directors and the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board. During the year under review, the meeting of Independent Director was held on 30th March 2019.

3. Board of Directors

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

The Board periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company

3.1 Appointment and Tenure

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

3.2 Size and Composition of the Board

The size and composition of the Board during the financial year 2018-19 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	**12th AGM on held 27th September 2018**	**Other Directorships in Indian Companies** (inserted after declaration received by Directors)
Executive Director	Mr. Parth Jindal	Managing Director	4	-	8
	Mr. NileshNarewekar	Whole Time Director & CEO	4	-	-
	Mr. Narinder Singh Kahlon	Director Finance & CFO	4	Yes	2
Non-Executive	Mr. Nirmal K. Jain	Chairman	4	Yes	14
	Mr. Kantilal N. Patel	Director	4	Yes	21
	Mr. Pankaj Kulkarni	Director	4	-	1
	Mr. Biswadip Gupta	Director	2	-	9
Independent Director	Mr. Jugal K. Tandon	Director	4	Yes	9
	Mr. JaiprakashNarain Lal	Director	4	-	-
	Ms. Sutapa Banerjee	Director	4	-	9

Notes:

1. The Board meets four times in the year under review i.e. 8th May 2018, 3rd August 2018, 24th October 2018 and 5th February 2019 and the gap between two meetings did not exceed 120 days.
2. Mr. Narinder Singh Kahlon has been appointed w.e.f 8th May 2018.
3. There are no inter-se relationships between the Board Members.

3.3 Board Meetings and Procedures

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

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

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

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

3.4 Invitees and Proceedings:

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

3.5 Post Meeting Action and Follow-up system:

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

4. Committee of the Board

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

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

4.1 Audit Committee

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

a) Composition and Meetings

The Committee comprises of three Independent Directors and Two Non-Executive Directors. The Company Secretary acts as the Secretary of the Committee. Mr. Jugal Kishore Tandon, Chairman of Audit Committee, has attended the Annual General Meeting for answering the shareholders queries. During the year under review, the Committee had met four times on 7th May 2018, 2nd August 2018, 23rd October 2018 and 4th February 2019. The attendance of each committee member was as under: -

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	4

b. Invitees / Participants

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

c. Terms of Reference

The terms of reference of the Audit Committee as prescribed by Board pursuant to section 177 of the Companies Act, 2013 inter alia includes:

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- to review and monitor the auditor's independence & performance and effectiveness of audit process.
- examination of the financial statements and the auditors' report thereon.
- approval or any subsequent modification of transactions of the Company with related parties.
- scrutiny of inter-corporate loans and investments.
- valuation of undertakings or assets of the Company, wherever necessary.
- evaluation of internal financial controls and risk management systems.
- monitoring the end use of funds raised through public offers and related matters.

The powers of the Audit Committee inter alia include:

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

4.2 Corporate Social Responsibility (CSR) Committee:

a) Composition and Meetings

The Corporate Social Responsibility Committee comprises of three Non-Executive Directors and two Independent Directors and its composition meets with the requirement of Section 135 of the Companies Act, 2013.The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee had met three times on 7th May 2018, 2nd August 2018 and 4th February 2019. The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. Kantilal Narandas Patel - Chairman	Non-Executive Director	3
Mr. Nirmal Kumar Jain Member	Non-Executive Director	3
Mr. Biswadip Gupta Member	Non-Executive Director	2
Mr. Jugal Kishore Tandon Member	Independent Director	3
Mrs. Sutapa Banerjee Member	Independent Director	3

b. Invitees / Participants

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

c. Terms of Reference

The broad terms of reference of CSR Committee are:

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

4.3 Nomination & Remuneration Committee

a) Composition and Meetings

The Committee's comprises of two Independent Directors and two Non-Executive Directors and its composition meets the requirements of Section 178 of the Companies Act, 2013. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee had met only once on 7th May 2018. 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	1
Mr. Jaiprakash Narain Lal Member	Independent Director	1
Mr. Nirmal Kumar Jain Member	Non-Executive Director	1
Mr. Kantilal Narandas Patel - Member	Non-Executive Director	1

b. Invitees / Participants

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

c. Terms of Reference:

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

- to formulate the policy for determining qualifications, positive attributes, remuneration and independence of a director, Key Managerial Personnel (KMP), senior management and other employees.
- to ensure, while formulating the policy, that:
  - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors & KMP.
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  - remuneration involves a balance between fixed and incentive pay

reflecting short and long term performance objectives of the company.

- to identify persons who are qualified to become directors, KMP and senior management.
- to recommend to the Board their appointment and removal
- to lay down criteria to carry out evaluation of performance.
- to attend the General Meetings of the Company.

4.4 Employee Stock Ownership Plan (ESOP) Committee

a. Composition and Meetings

The Committee's comprises of a Independent Director and three Non-Executive Directors. The Company Secretary acts as the Secretary of the Committee. The Committee had met only once during the year under review on 2nd August 2018. The compositions and attendance details of members of the Committee are given below:

Name of Members	Category	No. of Meetings attended
Mr. Nirmal KumarJain Chairman	Non-Executive Director	1
Mr. Kantilal Narandas Patel - Member	Non-Executive Director	1
Mr. Pankaj Kulkarni Member	Non-Executive Director	1
Mr. Jugal Kishore Tandon - Member	Independent Director	1

b. Invitees / Participants

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

c. Terms of Reference

The broad terms of reference of ESOP Committee are:

- determine the employees eligible for participation in the plan in compliance of the proposed Scheme.
- determine the performance parameters for Grant and/or Vesting of Options granted to an employee under the Plan.
- determine the number of Options to be granted, to each employee and in the aggregate, and the time at which such Grant shall be made.
- determine the vesting and/or lock in period of the Grant made to any employee and/or any conditions subject to which such vesting may take place.
- modify the current Grant/Exercise price, if need be and also to fix/modify the Grant/ Exercise price in respect of the subsequent grants.
- lay down the conditions under which Options vested in employees may lapse in case of termination of employment for fraud, misconduct or where an employee joins competition etc.
- determine the Exercise Period within which the employees should exercise the Options and that Options would lapse on failure to exercise the Option within the Exercise Period.
- specify time period within which the employees Shall Exercise the Vested Options in the event of termination or resignation of an employee.
- lay down the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of Change in the Capital Structure and/or Corporate Action.
- provide for the right of an employees to exercise all the Options Vested in him at one time or at various points of time within the Exercise Period.
- decide the number of shares of common stock which may be issued under each Option.
- lay down the method for satisfaction of any tax obligation arising in connection with the Options or such Shares.
- lay down the procedure for cashless exercise of Options, if any.
- provide for the Grant, Vesting and Exercise of Options in case of employees who are on long leave or whose services have been seconded to any other company or who

have joined the Holding Company or a Subsidiary or an Associate Company at the instance of the Employer Company, and

- generally, exercise such powers as may be necessary or expedient in connection of the implementation or administration of the Plan.

4.5 Project Review Committee

a. Composition and Meetings

The Project Review Committee comprises of three Non-Executive Directors and two Independent Directors. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee had met four times on 8th May 2018, 2nd August 2018, 25th October 2018 and 5th February 2019. 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	2
Mr. Pankaj Kulkarni Member	Non-Executive Director	4
Mr. Jaiprakash Narain Lal Member	Independent Director	4

b. Invitees / Participants

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

c. Terms of Reference:

The broad terms of reference of Project Review Committee are:

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

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

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

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

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

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

g) To review new strategic initiatives.

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

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

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

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

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

m) To authorize any employee not below the AGM level to sign the document under the Common Seal of the Company as authorized signatory along with Directors of the Company in case

Company Secretary and CFO of the Company is not available in the city where document is required to be signed.

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

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

4.6 Risk Committee

a. Composition and Meetings

The Risk Committee comprises of three Non-Executive Directors and a Independent Director. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee had met three times on 7th May 2018, 23rd October 2018 and 4th February 2019. The composition of the Committee and the attendance details of the members are given below:

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

b. Invitees / Participants

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

c. Terms of Reference

The broad terms of reference of Risk Committee are:

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

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

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

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

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

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

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

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

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

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

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

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

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

4.7 Finance Committee:

a. Composition and Meetings

The Finance Committee was reconstituted on 24th October 2018 and comprises of one Executive Director and two Non-Executive Directors. The Company Secretary acts as the Secretary of the Committee. During the year under review, the Committee met two times on 28th June 2018 and 26th November 2018. 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	1
Mr. Nilesh Narwekar Member	Executive Director	2
Mr. Kantilal Narandas Patel - Member	Non-Executive Director	2

b. Invitees / Participants

The Director Finance & CFO is the permanent invitees. Other employees are invited wherever required.

c. Terms of Reference

The roles and responsibilities approved by the Board, for the functioning of Finance Committee, inter alia include:

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

b) to Borrow and/or avail facilities including any non-fund based facilities (Letter of Credits/ Bank Guarantees, etc) on behalf of for the benefit of its subsidiaries Companies, domestic as well as overseas, upto an amount of ₹300 crores within the overall limit of amount not exceeding ₹5000 crores as delegated to the Committee as per clause (a) on the terms and conditions as required by banks/ financial institutions and/or such further modification/changes in the terms and conditions and as may be agreed from time to time.

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

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

e) To invest and deal with fund of the Company upon such security (not being shares of the Company) or without security in such manner as the Committee may deem fit, and from time to time to vary or realize such investments, provided that all investments shall be made and held in the Company's name and provided further that monies to be invested and dealt with as aforesaid by the Committee shall not exceed ₹1000 crores and decide the authorized persons to take all necessary actions in that regard.

f) to grant loans or give guarantee or provide security in respect of loans given to Individuals/Bodies Corporate including Subsidiaries, Domestic and overseas and/ or to place deposits with other Companies/ Firms upon such security or without security in such manner as the Committee may deem fit and from time to time vary/ recover such loans/deposits, provided however, that the aggregate amount of such loans/deposits shall not at any time exceed ₹1000 crores including the limit if any utilized under para (e) .

g) to allow financial commitment for Overseas Direct Investment in form of Bank Guarantee, performance guarantee, Corporate Guarantee, Letter of Credits, Standby Letter of Credits and any other non-fund based facilities by creation of charge (pledge / mortgage / hypothecation) on the movable / immovable property or other financial assets on behalf or for the benefit of overseas wholly owned subsidiaries for the amount not exceeding ₹300 crores within the overall limit of amount not exceeding ₹1000 crores as delegated to the Committee as per clause (f).

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

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

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

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

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

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

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

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

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

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

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

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

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

5. General Meetings

a. Annual General Meetings

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

6. General Meetings

b. Annual General Meetings

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

AGM	Date	Time	Venue	Special Resolution
12th	27th September 2018	11.00 P.M.	JSW Centre, BandraKurla Complex, Bandra East, Mumbai-400 051	Appointment of Mr. Narinder Singh Kahlon as Whole Time Director and designated as Director - Finance and CFO
11th	25th September 2017	3.00 P.M.	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	a) Appointment and fixation of remuneration of Whole Time Director and CEO b) Grant of Loan pursuant to section 186 of the Companies Act, 2013 c) Pledge of Equity Shares of Subsidiary Company
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

c. Extra-ordinary General Meeting

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

Date	Time	Venue	Special Resolution
11th February 2019	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Resolution pursuant to section 185 of the Companies Act, 2013
6th June 2018	11:00 A.M	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Resolution pursuant to section 185 of the Companies Act, 2013
27thJanuary 2018	10.00 am	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400 051	Resolution pursuant to section 186 of the Companies Act, 2013
9th November 2017	9.30 A.M.	JSW Centre, BandraKurla 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

Date	Time	Venue	Special Resolution
26th December 2016	11:00 A.M	JSW Centre, BandraKurla 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

7. DISCLOSURES

7.1 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.

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

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

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

8. Means of Communications

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

8.1 **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.

8.2 **Chairman's Communication:** Printed copy of the Chairman's Speech is distributed to all the Shareholders at the Annual General Meeting.

9. GENERAL SHAREHOLDERS INFORMATION

9.1 Corporate Identity Number (CIN): U26957MH2006PLC160839

9.2 ISIN number: INE718I01012

9.3 Registrar & Share Transfer Agents:
Karvy Computer Share Private Limited,
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda,Hyderabad-500032

9.4 Shareholding pattern of the Company as on March 31, 2019

Sr. No.	Name of the Shareholder	No. of shares & % of holding	
1	Adarsh Advisory Services Pvt. Ltd.	89,30,67,550	90.54
2	JSW Investments Pvt. Ltd.	4,15,89,726	4.22
3	Glebe Trading Pvt. Ltd.	2,06,42,340	2.09
4	Danta Enterprises Pvt. Ltd.	2,60,00,000	2.64
5	JSL Limited	50,52,114	0.51
6	Mr. Seshagiri Rao*	100	0.00
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		**98,63,52,230**	**100.00%**

*Nominees of JSW Investment Private Limited

9.5 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. To support the "Green Initiative" taken by the MCA and to contribute towards greener environment, The Company is sending Agenda to Directors through email including presentation.

9.6 Registered Office:
JSW Centre, BandraKurla Complex, Bandra (East), Mumbai - 400 051.

9.7 Plant Locations:
P. O. Vidyanagar, Toranagallu Village, Sandur Taluk, Bellary DistrictDistrict Bellary - 583 123, Karnataka.

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

Survey No. 96/1, 96/2, 97/0, Village 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, Pin 721306, West Bengal

10. 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.

The Company also ensures that the Company conducts its business with high standards and timely compilation of legal, statutory and regulatory compliances.

Independent Auditor's Report

TO THE MEMBERS OF JSW CEMENT LIMITED

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of **JSW Cement Limited** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing specified under sub-section (10) of section 143 of the Act ('SAs'). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Director's report and Management Discussion & Analysis (MD&A) report, but does not include the standalone financial statements and our auditor's report thereon. The Director's report and MD&A report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in sub-section (5) of section 134 of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under sub-section (3)(i) of section 143 of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements of in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Standalone financial statement of the Company for the year ended 31st March 2018 included in these Standalone financial statement, has been audited by the predecessor auditor who expressed an unmodified opinion on those statements on 8th May 2018.

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, to the extent applicable.

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, the 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 books of account;

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

(e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of the sub-section 16 of Section 197 of the Act, as amended:

In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 34(a) of the standalone 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 H P V S & Associates.,
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
M. No.144084

Place: Mumbai
Date: 3rd May 2019

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 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 2019 on account of disputes are given below:

Name of the Statue	Nature of Dues	Amount (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
Central Excise	Cenvat Credit, Penalty and Interest	7.05 1.43 1.59 5.68 17.41 8.04 5.88 6.61	2008-09 2009-10 2011-12 2012-13 2013-14 2014-15 2015-16 2016-17	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	1.05	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	0.05	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 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 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 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 H P V S & Associates.,
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav L Dattani
Partner
M. No.144084

Place: Mumbai
Date: 3rd May 2019

Annexure B
To The Independent Auditor's Report

Report on the internal financial controls with reference to the aforesaid Standalone financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 (the 'Act')

We have audited the internal financial controls over financial reporting of JSW CEMENT LIMITED(hereinafter referred to as "the Company") as of 31st March 2019, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31st March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Vaibhav L Dattani
Partner
M. No.144084

Place: Mumbai

Date: 3rd May 2019

Standalone Balance Sheet

As At 31st March 2019

₹ crores

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	2,694.07	2,267.46
(b) Capital work-in-progress	4.6	308.52	437.31
(c) Other intangible assets	4A	12.05	9.35
(d) Financial assets			
(i) Investments	5	218.20	203.81
(ii) Loans	6	143.46	227.92
(iii) Other financial assets	7	-	47.54
(e) Deferred tax assets(net)	8	-	14.93
(f) Income tax assets (net)	9	5.52	6.03
(g) Other non-current assets	10	131.26	124.99
Total non-current assets		**3,513.08**	**3,339.34**
Current assets			
(a) Inventories	11	254.38	212.18
(b) Financial assets			
(i) Trade receivables	12	392.69	164.48
(ii) Cash and cash equivalents	13	22.20	205.56
(iii) Bank balances other than (ii) above	14	1.05	86.02
(iv) Loans	6	489.95	28.82
(v) Other financial assets	7	62.88	28.20
(c) Other current assets	10	232.94	257.75
Total current assets		**1,456.09**	**983.01**
Total assets		**4,969.17**	**4,322.35**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	986.35	986.35
(b) Other equity	16	307.49	185.38
Total equity		**1,293.84**	**1,171.73**
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	2,108.23	1,754.78
(ii) Other financial liabilities	18	16.41	28.30
(b) Provisions	19	28.78	26.51
(c) Deferred tax liabilities (net)	8	3.84	-
Total non-current liabilities		**2,157.26**	**1,809.59**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	151.68	304.55
(ii) Trade payables			
Total outstanding dues of Micro enterprises and small enterprises	21	4.77	1.57
Total outstanding dues of creditors other than Micro enterprises and small enterprises	21	666.77	497.12
(iii) Other financial liabilities	22	609.99	498.54
(b) Other current liabilities	23	84.86	39.25
Total current liabilities		**1,518.07**	**1,341.03**
Total liabilities		**3675.33**	**3150.62**
Total equity and liabilities		**4,969.17**	**4,322.35**

See accompanying notes to the standalone financial statement

As per our attached report of even date

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

Vaibhav L Dattani
Partner
Membership No.: 144084

Place: Mumbai
Date: 3rd May 2019

For and behalf of Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Rahul Dubey
Company Secretary

Standalone Statement of Profit and Loss

For The Year Ended 31st March 2019

₹ crores

	Particulars	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
I	Revenue from operations	24	2,647.33	1,646.34
II	Other income	25	65.60	33.07
III	**Total Income (I+ II)**		**2,712.93**	**1,679.41**
IV	**Expenses**			
	Cost of raw material consumed	26	612.58	208.84
	Purchases of stock in trade	27	6.15	14.04
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	7.07	2.93
	Employee benefits expense	29	143.89	96.65
	Excise duty expense		-	50.61
	Power and fuel		434.41	287.00
	Freight and handling expenses		633.23	389.37
	Other expenses	30	368.96	264.91
			2,206.29	**1,314.35**
	Less: Captive consumption		(9.90)	(5.04)
	Total Expenses (IV)		**2,196.39**	**1,309.31**
V	**Earnings before interest, tax, depreciation and amortisation (EBITDA) (III - IV)**		**516.54**	**370.10**
VI	Finance costs	31	235.72	190.72
VII	Depreciation and amortization expense	32	107.30	73.20
VIII	**Profit before tax (V-VI-VII)**		**173.52**	**106.18**
IX	**Total tax expenses**	34 k	**55.06**	**15.49**
X	**Profit for the year (VIII - IX)**		**118.46**	**90.69**
XI	**Other comprehensive income**			
	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the defined benefit plans		(0.10)	(0.35)
	(b) Equity instruments through other comprehensive income		(0.02)	5.95
	ii) Income tax relating to items that will not be reclassified to profit or loss		0.04	(1.94)
	Total other comprehensive income/(loss) (XI)		**(0.08)**	**3.66**
	Total comprehensive income/(loss) (X + XI)		**118.38**	**94.35**
XII	**Earnings per equity share (face value of ₹ 10/- each)**			
	- Basic (in ₹)	34m	1.20	1.46
	- Diluted (in ₹)		1.20	1.46

See accompanying notes to the standalone financial statement

As per our attached report of even date

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

Vaibhav L Dattani
Partner
Membership No.: 144084

Place: Mumbai
Date: 3rd May 2019

For and behalf of Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Rahul Dubey
Company Secretary

Standalone Cash Flow Statement

For The Year Ended 31st March 2019

₹ crores

Particulars		For the year ended 31st March 2019	For the year ended 31st March 2018
A.	**CASH FLOWS FROM OPERATING ACTIVITIES:**		
	PROFIT BEFORE TAX	**173.52**	**106.18**
	Adjustments for:		
	Interest income	(51.11)	(23.97)
	Dividend on long-term investments	(0.12)	(0.19)
	Gain on sale of current investments	(1.22)	(3.47)
	Loss/ (Gain) on sale of Property, plant and equipment	1.33	-
	Write back of excess provision	(6.15)	(1.35)
	Unrealised foreign exchange gain / (loss)	0.45	(2.28)
	Depreciation and amortisation expense	107.30	73.20
	Interest costs on borrowings	235.72	193.00
	Operating profit before working capital changes	**459.72**	**341.12**
	Movements in Working Capital:		
	(Increase) in Trade receivables	(228.21)	(35.64)
	(Increase) in Inventories	(42.19)	(54.40)
	(Increase) Loans & advances*	(193.17)	(22.58)
	(Increase) / Decrease financial assets	47.83	3.13
	(Increase) / Decrease Other assets*	69.50	(44.23)
	Increase in Trade payables	172.38	160.91
	Increase Other liabilities*	98.25	10.62
	Cash flow used in Operations	**384.11**	**358.93**
	Income taxes paid (net)	(35.63)	(31.03)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	**348.48**	**327.90**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of property, plant and equipment including capital advances	(553.18)	(712.56)
	Proceeds from sale of property, plant and equipment	5.30	-
	Interest received	16.14	12.64
	Investment in associate & subsidiary	(14.42)	(33.72)
	Dividend on long-term investments	0.12	0.19
	Gain/(loss) on Purchase/Sale of current investments	1.22	3.47
	Loan given to related party (net)	(183.48)	(172.99)
	NET CASH USED IN INVESTING ACTIVITIES	**(728.30)**	**(902.97)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from issue of equity share capital	-	535.30
	Proceeds from non-current borrowings	655.13	2,250.30
	Repayment of non-current borrowings	(154.69)	(1,927.22)
	Proceeds from current borrowings	(152.87)	82.12
	Interest paid on borrowings	(236.08)	(195.07)
NET CASH GENERATED FROM FINANCING ACTIVITIES		**111.49**	**745.43**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B +C)		**(268.33)**	**170.36**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**291.58**	**121.22**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**23.25**	**291.58**
[Refer Note 13 and 14]			
*** Includes current/ non-current**			

Standalone Cash Flow Statement (Continued)

For The Year Ended 31st March 2019

Reconciliation forming part of cash flow statement

Particulars	1st April 2018	Cash Flow (net)	others	31st March 2019
Borrowing (non-current) (including current maturities of long-term borrowing included in other financial liabilities	1,881.81	515.24	(0.01)	2,397.04
Borrowing Current	304.55	(152.87)	-	151.68
Particulars	**1st April 2017**	**Cash Flow (net)**	**others**	**31st March 2019**
Borrowing (non-current) (including current maturities of long-term borrowing included in other financial liabilities	1566.94	323.08	(8.21)	1,881.81
Borrowing Current	222.43	82.13	(0.01)	304.55

Notes:

1. The Cash Flow Statement has been prepared under the" indirect method"as set out in IND AS 7 - Statement of Cash Flows
2. Others comprises of upfront fees amortisation

See accompanying notes to the standalone financial statement

As per our attached report of even date

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

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Vaibhav L Dattani
Partner
Membership No.: 144084

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Place: Mumbai
Date: 3rd May, 2019

Rahul Dubey
Company Secretary

Standalone Statement of Changes in Equity (SOCIE)

For The Year Ended 31st March 2019

(A) Equity Share Capital

₹ crores

Particulars	Total
Balance as at 1st April 2017	**450.51**
Changes in equity share capital during the year	535.84
Balance as at 31st March 2018	**986.35**
Changes in equity share capital during the year	-
Balance as at 31st March 2019	**986.35**

(B) Other equity

₹ crores

Particulars	Reserves & Surplus		Items of Other comprehensive income/(loss)		Total
	Retained Earnings	Share option outstanding reserve	Remeasurement of the net defined benefit plans	Equity instruments through other comprehensive income	
Balance as at 1st April 2017	**91.20**	**8.51**	**(0.20)**	**0.58**	**100.09**
Profit for the year	90.57	-	-	-	90.57
Share issue expenses	(0.54)	-	-	-	(0.54)
Impact of employee welfare trust consolidation	0.12	-	-	-	0.12
Other comprehensive income/(loss) for the year	-	-	(0.23)	3.88	3.65
Total (Net of tax)	**181.35**	**8.51**	**(0.43)**	**4.46**	**193.89**
Reversal of share based payments	-	(8.51)	-	-	(8.51)
Balance as at 31st March 2018	**181.35**	**-**	**(0.43)**	**4.46**	**185.38**
Profit for the year	118.46	-	-	-	118.46
Share based payments	-	3.72	-	-	3.72
Other comprehensive income for the year	-	-	(0.07)	(0.01)	(0.08)
Total (net of income tax)	**118.46**	**3.72**	**(0.07)**	**(0.01)**	**122.10**
Balance as at 31st March 2019	**299.81**	**3.72**	**(0.50)**	**4.45**	**307.49**

See accompanying notes to the standalone financial statement

As per our attached report of even date

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

Vaibhav L Dattani
Partner
Membership No.: 144084

Place: Mumbai
Date: 3rd May 2019

For and behalf of Board of Directors

Nirmal Kumar Jain
Chairman
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Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Rahul Dubey
Company Secretary

Notes To Standalone Financial Statements

As At and For The Year Ended 31st March 2019

1. General Information

JSW Cement Limited ("the Company") is engaged in the business of manufacture and sale of cement, ground granulated blast furnace slag and clinker and trading of allied products. The Company is operating ~3.20 million tonne per annum grinding unit at Vijayanagar- Karnataka, ~4.80 million tonne per annum green field cement manufacturing unit at Bilkalguduru village near Nandyal- Andhra Pradesh, ~2.20 million tonne per annum grinding unit at Dolvi Maharashtra 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 3rd May 2019.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance sheet as at 31 March 2019, the Statement of Profit and Loss, the Statement of Cash Flows and Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as Standalone Financials Statements' or ' financial statements).

II. Basis of preparation and presentation

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

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

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

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

The Financial Statement is presented in INR.

Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non current classification

An asset is classified as current when it satisfies any of the following criteria

- It is expected to be realized in or is intended for sale or consumption in, its normal operating cycle;
- it is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

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

III. Revenue Recognition

Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, incentives, volume rebates, outgoing taxes on sales. Any amounts receivable from the customer is recognized as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch/delivery of goods.

On March 28, 2018, Ministry of Corporate Affairs has notified Ind AS 115, "Revenue from Contracts with Customers", effective date of adoption of the Standard is financial period beginning on or after 1st April, 2018. The core principle of the Standard is that an entity shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, besides reporting useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

The Standard permits entities to apply one of the following transitional methods:

i) Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

ii) Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

Company have adopted Cumulative catch - up approach and there were no significant adjustments required to the retained earnings at 1st April, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results.

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.

Contingent rentals arising under operating leases are recognized as an expense in the year in which they are incurred.

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.

As a lessor

Rental income from operating leases is recognized on straight-line basis over the term of the relevant lease.

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 differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (xvii) (e);

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

VI. Borrowing Costs

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

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

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

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

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

VII. Government grants and subsidies

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

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

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

VIII. Employee Benefits

Retirement benefit costs and termination benefits

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

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

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

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

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

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

Short-term and other long-term employee benefits

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

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

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

IX. Employee Share based payments

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

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

X. Taxes

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

Current 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 year.

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

Current and deferred tax for the year

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

XI. Property, Plant and Equipment

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

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

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

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

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

Capital Work In Progress

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

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

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

Depreciation

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

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

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

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
4	Leasehold improvement	5 years
5	Residential complex	10 years

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

XII. Intangible Assets

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

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

a) Mining Rights - Site restoration costs

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to profit or loss over the life of the asset through depreciation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/ or other agreements. The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology.

XIII. Impairment of property, plant and equipment and intangible assets

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

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

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

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. Work-in-progress and Finished Goods are valued at lower of cost and net realisable value. Cost of finished goods and work-In -progress include cost of direct material and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost.

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

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

v. 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-months 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-months 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.

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.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short term deposits, as defined above.

XIX. Earnings Per Share

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

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

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 116 - Leases:

On 30th March 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The management is yet to assess the impact of the aforesaid amendments on the Company's financial information.

Amendments to Ind AS 12- Income taxes

On 30th March 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. At present, IND AS 12 is not applicable to Company as no Dividend is declared by Company till current year.

Amendment to Ind AS 19 - plan amendment, curtailment or settlement

On 30th March 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after 1st April, 2019.

The management is yet to assess the impact of the aforesaid amendments on the Company's financial information.

Amendment to Ind AS 23 - Borrowing Cost

On 30th March 2019, Ministry of Corporate Affairs issued amendments to Ind AS 23, 'Borrowing Cost', in connection with capitalization of Borrowing Cost when an entity borrows funds generally and uses them for the purpose of obtaining a qualifying asset.

The amendments require an entity:

- To the extent that an entity borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the entity shall determine the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate shall be the weighted average of the borrowing costs applicable to all borrowings of the entity that are outstanding during the period. However, an entity shall exclude from this calculation borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset until substantially all the activities necessary to prepare that asset for its intended use or sale are complete. The amount of borrowing costs that an entity capitalises during a period shall not exceed the amount of borrowing costs it incurred during that period."

The management is yet to assess the impact of the aforesaid amendments on the Company's financial information.

Amendment to Ind AS 103 - Business Combinations

On 30th March 2019, Ministry of Corporate Affairs issued amendments to Ind AS 103, 'Business Combinations'.

The amendments require that:

- When a party to a joint arrangement (as defined in Ind AS 111, Joint Arrangements) obtains control of a business that is a joint operation (as defined in Ind AS 111), and had rights to the assets and obligations for the liabilities relating to that joint operation immediately before the acquisition date, the transaction is a business combination achieved in stages. The acquirer shall therefore apply the requirements for a business combination achieved in stages, including re-measuring its previously held interest in the joint operation in the manner described in paragraph 42. In doing so, the acquirer shall re-measure its entire previously held interest in the joint operation.";

  Aforesaid amendment is not applicable to the Company, hence will not have any impact on Financial Statement.

Amendment to Ind AS 28 - Investment in Associates and Joint Ventures

On 30th March 2019, Ministry of Corporate Affairs issued amendments to Ind AS 128, 'Investment in Associates and Joint Ventures'. The amendment clarifies the accounting for the share of losses of an associate or joint venture after the equity interest has been reduced to nil.

Aforesaid amendment is not applicable to the Company, hence will not have any impact on Financial Statement

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2019

Note 4 Property, Plant and Equipment

₹ crores

Description of Assets	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Compu-ters	Office Equip-ment	Vehicle	220 KV Switching station	Residential complex	Leasehold improve ment	External road	Railway siding	Total Property, plant and equipment
I. Cost / Deemed cost													
Balance as at 1st April 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	840.24
Deductions	-	-	-	-	-	(0.01)	(0.32)	-	-	-	-	-	(0.33)
Balance as at 31st March 2018	**32.39**	**473.74**	**1,758.73**	**2.02**	**2.11**	**3.03**	**2.43**	**16.36**	**-**	**-**	**84.06**	**18.26**	**2,393.14**
Additions	2.48	115.14	398.35	1.95	0.61	2.88	0.15	-	13.25	2.96	0.20	0.74	538.71
Deductions	-	(3.30)	(4.82)	-	-		(0.53)	-	-	-	-	-	(8.65)
Balance as at 31st March 2019	**34.87**	**585.58**	**2,152.27**	**3.97**	**2.72**	**5.91**	**2.05**	**16.36**	**13.25**	**2.96**	**84.26**	**19.00**	**2,923.20**
II. Accumulated depreciation													
Balance as at 1st April 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 31st March 2018	**-**	**9.83**	**107.71**	**0.47**	**0.79**	**0.61**	**0.44**	**1.64**	**-**	**-**	**3.36**	**0.82**	**125.68**
Depreciation expense for the year	-	9.80	88.18	0.39	0.68	0.65	0.32	0.53	0.11	0.05	3.36	1.39	105.46
Eliminated on disposal of assets	-	(0.48)	(1.35)	-	-	-	(0.18)	-	-	-	-	-	(2.01)
Balance as at 31st March 2019	**-**	**19.15**	**194.54**	**0.86**	**1.47**	**1.27**	**0.58**	**2.17**	**0.11**	**0.05**	**6.72**	**2.21**	**229.13**
Carrying value													
Balance as at 31st March 2019	**34.87**	**566.43**	**1,957.73**	**3.11**	**1.25**	**4.64**	**1.47**	**14.19**	**13.14**	**2.91**	**77.54**	**16.79**	**2,694.07**
Balance as at 31st March 2018	32.39	463.91	1,651.02	1.55	1.32	2.42	1.99	14.72	-	-	80.70	17.44	2,267.46
Useful life of the assets (years in range)	NA	65	25-40	5-10	3-6	5-10	8-10	35	10	5	25	15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	

4.1 Asset include Gross Block of ₹645.27 crores (previous year ₹592.04 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 ₹392.29 crores (previous year ₹165.45 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 ₹12.45 crores on account of finance cost.

4.4 Certain property, plant and equipment are pledged against borrowing, the detail relating to which have been described in note 17.

4.5 Property, plant and equipment include assets with net block of ₹124.56 crores (previous year ₹112.86 crores) for which ownership is not in the name of the company.

4.6 Capital work in progress includes finance cost ₹12.07 crores (As at 31 March 2018: ₹0.33 crores).

Note 4A Other Intangible Assets

₹ crores

Description of Assets	Software	Mining Rights	Total Intangible Assets
I. Cost / Deemed cost			
Balance as at 1st April 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**
Additions	4.45	-	4.45
Deductions	-	-	-
Balance as at 31st March 2019	**5.62**	**8.93**	**14.55**
II. Accumulated depreciation			
Balance as at 1st April 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**
Amortisation expense for the year	1.53	0.22	1.75
Eliminated on disposal of assets	-	-	-
Balance as at 31st March 2019	**2.00**	**0.50**	**2.50**
Carrying value			
Balance as at 31st March 2019	**3.61**	**8.44**	**12.05**
Balance as at 31st March 2018	0.70	8.65	9.35

Useful life of the assets (years in range)	3	50
Method of amortization	SLM	SLM

1. Company has recognised Mining Rights as required under IND AS 16 Property, Plant & Equipment for decommissioning liability to be incurred towards mines restoration expenditure, for deriving the cost of the asset company has discounted the value over the lease period of the mines.

5. Investments (Non Current)

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
(A) Investment in Equity Instruments		
Quoted- others (At fair value through OCI)		
JSW Energy Limited	17.31	15.39
2,384,610 (31st March 2018: 2,114,610) of ₹ 10 each fully paid-up		
JSW Steel Limited	11.13	10.95
380,000 (31st March 2018: 380,000) ₹ 10 each fully paid-up		
Quoted - Subsidiary (Cost or deemed cost)		
Shiva Cement Limited	165.82	162.26
106,166,750 (31st March 2018: 104,366,750) of ₹ 2 each fully paid-up		
Unquoted -Subsidiary (Cost or deemed cost)		
JSW Cement FZE	22.51	14.82
82,600 (31st March 2018: 65,170) of AED 150 each fully paid-up		
Utkarsh Transport Limited	1.01	-
1,010,000 (31st March 2018: Nil) of ₹ 10 each fully paid-up		
(B) Investment in Mutual fund		
Quoted - Others		
JM High Liquidity Fund - Growth	0.42	0.39
(C) Investment in government securities		
(Unquoted - Others valued at amortised cost)		
National Saving Certificate - Pledged with Commercial Taxes Department 3,000 (31st March 2018: 3,000)	-	-
Total	**218.20**	**203.81**
Quoted		
Aggregate book value	194.68	188.99
Aggregate market value	204.46	286.08
Unquoted		
Aggregate carrying value	23.52	14.82
Investment at cost	**189.34**	**177.08**
Investment at fair value through other comprehensive income	**28.86**	**26.73**

6. Loans

₹ crores

Particulars	Non-Current		Current	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Unsecured considered good				
Security deposits	-	-	2.65	2.13
Loans to:				
- Related parties *	3.75	95.27	275.00	-
- Other body corporates	32.98	2.89	69.69	26.25
- Subsidiary	104.73	129.76	142.35	-
- Others	2.00	-	-	-
Advance to employees	-	-	0.26	0.44
Total	**143.46**	**227.92**	**489.95**	**28.82**

* For business purpose: refer note 34 (i)

7. Other Financial Assets (Unsecured, Considered good)

₹ crores

Particulars	Non-Current		Current	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Interest receivable on loan to related party	-	-	49.19	15.16
Interest receivable others	-	-	4.91	3.96
Rent receivable	-	-	8.42	5.00
Advance towards equity	-	-	-	4.02
Claims receivable	-	-	0.36	0.06
Deposit with remaining maturity of more than 12 months	-	47.54	-	-
Total	**-**	**47.54**	**62.88**	**28.20**

8. Deferred Tax (Liabilities) / Asset (Net)

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Deferred tax (liabilities)/ asset (Net) (Refer note 34 k)	(125.70)	(70.78)
MAT credit entitlement	121.86	85.71
Total	**(3.84)**	**14.93**

9. Income Tax Assets (Net)

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Advance tax and Tax Deducted at Source (net)	5.52	6.03
Total	**5.52**	**6.03**

10. Other Assets

₹ crores

Particulars	Non-Current		Current	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Capital advances (Unsecured, considered good)	68.36	73.98	-	-
Other assets (Unsecured, considered good)				
Advance to suppliers	-	-	75.57	64.76
GST receivable	-	-	50.39	82.27
Prepaid expenses	11.32	12.99	13.88	9.08
Leasehold land prepayments	7.43	7.80	-	-
Security deposits	44.15	30.22	-	-
Government grant receivable	-	-	84.99	96.90
Other receivables	-	-	8.11	4.74
Total	**131.26**	**124.99**	**232.94**	**257.75**

11. Inventories

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Raw materials (includes stock in transit ₹17.02 Crores ;previous year : ₹26.90 Crores) (at cost)	113.82	66.62
Semi finished goods (at cost)	14.17	26.34
Finished goods (at lower of cost and net realisable value)	25.05	19.95
Stores and spares (at cost)	80.47	77.03
Fuel (includes stock in transit ₹ NIL ;previous year ₹0.56 Crores) (at cost)	20.87	22.24
Total	**254.38**	**212.18**

Inventories have been pledged as security against certain bank borrowings of the company as at 31st March 2019 (refer note 20)

Cost of inventory recognised as an expense

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Cost of material consumed	612.58	208.84
Changes in inventories of finished goods, semi finished goods and stock in trade	7.07	2.93
Stores and spares	27.27	21.74
Fuel	185.61	119.81
Total	**832.53**	**353.32**

12. Trade Receivables

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Trade Receivable considered good, Secured	72.45	50.58
Trade Receivable considered good, Unsecured (refer note 33)	320.24	113.90
Trade receivable which have significant increase in credit risk	0.18	0.13
Trade Receivables-credit impaired	0.34	0.34
Total	**393.21**	**164.95**
Less: Allowance for expected credit loss	(0.52)	(0.47)
Total	**392.69**	**164.48**

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 2019 (refer note 20)

13. Cash and cash equivalent

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Balances with banks in current accounts	22.12	205.49
Cash on hand	0.08	0.07
Total	**22.20**	**205.56**

14. Bank balances other than cash and cash equivalent

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Term deposit with original maturity of more than 3 months but less than 12 months at inception	1.05	86.02
Total	**1.05**	**86.02**

15. Equity share capital

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Authorised Capital		
1,250,000,000 (31st March 2018: 1,250,000,000) Equity shares of ₹10 each	1,250.00	1,250.00
25,000,000 (31st March 2018: 25,000,000) Preference shares of ₹100 each	250.00	250.00
Issued, Subscribed & Fully Paid Up Capital		
986,352,230 (31st March 2018: 986,352,230) Equity shares of ₹10 each fully paid up	986.35	986.35
Total	**986.35**	**986.35**

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

Particulars	As at 31st March 2019	As at 31st March 2018
Equity shares at the beginning of the year	98,63,52,230	45,05,11,700
Add: Fresh issue of shares during the year	-	53,58,40,530
Equity shares at the end of the year	**98,63,52,230**	**98,63,52,230**

15.2 Rights, preferences and restrictions attached to equity shares

Equity Shares: The Company has a single class of 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 NIL (Previous year - 535,840,530) equity shares of ₹10 each (at par) to Adarsh advisory Service Private Limited as approved by Finance Committee in their meeting held on 7th December 2017.

15.3 Details of aggregate shareholding by holding company

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Adarsh Advisory Services Private Limited - Holding Company 893,067,550 (31st March 2018 893,067,550) Equity Shares of ₹ 10 each	893.07	893.07

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

Particulars	As at 31st March 2019		As at 31st March 2019	
	Number of shares	% of holding	Number of shares	% of holding
Equity shareholding				
Adarsh Advisory Services Private Limited - Holding company	893,067,550	90.54%	893,067,550	90.54%

16. Other Equity

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Retained earning	299.81	181.35
Share option outstanding reserve	3.72	-
Other comprehensive income:		
Remeasurements of the net defined benefit Plans	(0.50)	(0.43)
Equity instruments through other comprehensive income	4.45	4.46
Total	**307.49**	**185.38**

Share option outstanding reserve

The Company offers ESOP, under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of ESOP schemes.

Other comprehensive income:

As per IND AS 19 employee benefits gain or loss on account of remeasurement of the defined benefit liabilities/ assets have been realised through other comprehensive income.

17. Non Current Borrowings (at amortised cost)

₹ crores

Particulars	Non-Current		Current Maturities	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Term Loans				
Secured				
From banks	2,116.79	1,763.85	277.24	129.94
Less: Unamortised upfront fees on borrowings	(8.56)	(9.07)	(3.22)	(2.90)
Total	**2,108.23**	**1,754.78**	**274.02**	**127.04**

Rupee Term Loan from Banks (Secured)

₹ crores

As on 31st March 2019		As on 31st March 2018		Terms of Repayment*	Security
Non-current	Current	Non-current	Current		
545.17	45.76	590.99	45.76	9 quarterly instalment of ₹11.44 Crores each from 01.07.2019 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 moveable fixed assets of the company
243.22	90.35	333.54	52.76	3 quarterly instalment of ₹21.11 Crores each from 14.04.2019 to 14.10.2019, 10 quarterly instalment of ₹27.02 Crores each from 14.01.2020 to 14.01.2022	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
730.41	59.22	720.19	-	4 quarterly instalment of ₹19.74 Crores each from 30.09.2019 to 30.06.2020, 4 quarterly instalment of ₹21,71 Crores each from 30.09.2020 to 30.06.2021, 4 quarterly instalment of ₹25.66 Crores each from 30.09.2021 to 30.06.2022, 4 quarterly instalment of ₹29.61 Crores each from 30.09.2022 to 30.06.2023, 12 quarterly instalment of ₹33.56 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 and future moveable fixed assets of the company
201.50	-	-	-	4 quarterly instalment of ₹5.04 Crores each from 20.04.2021 to 20.01.2022, 4 quarterly instalment of ₹5.54 Crores each from 20.04.2022 to 20.01.2023, 4 quarterly instalment of ₹6.55 Crores each from 20.04.2023 to 20.01.2024, 4 quarterly instalment of ₹7.56 Crores each from 20.04.2024 to 20.01.2025, 12 quarterly instalment of ₹8.56 Crores each from 20.04.2025 to 20.01.2028	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
29.00	19.70	19.70	19.70	Annual instalment of ₹19.70 Crores each on 30.10.2019 & ₹ 29.00 Crores on 22.03.2021	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
191.74	47.96	99.43	11.72	20 quarterly instalment of ₹11.99 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 moveable fixed assets of the company
175.75	14.25	-	-	4 quarterly instalment of ₹4.75 Crores each from 30.09.2019 to 30.06.2020, 4 quarterly instalment of ₹5.23 Crores each from 30.09.2020 to 30.06.2021, 4 quarterly instalment of ₹6.18 Crores each from 30.09.2021 to 30.06.2022, 4 quarterly instalment of ₹7.13_ Crores each from 30.09.2022 to 30.06.2023, 12 quarterly instalment of ₹8.07 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 and by way of deed of hypothecation on present and future moveable fixed assets of the company assets of the company
2,116.79	**277.24**	**1,763.85**	**129.94**		

* Borrowing have been drawn at rate of interest at 9% - 9.85%

18. Other non-current financial liabilities

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Payable for capital projects	16.41	28.30
Total	**16.41**	**28.30**

19. Non-current provisions

₹ crores

Particulars	Non-Current	
	As at 31st March 2019	As at 31st March 2018
Provision for employee benefits		
Gratuity (Refer note 34 g)	1.07	1.58
Leave encashment (Refer note 34 g)	5.50	4.34
Mines restoration expenditure	22.21	20.59
Total	**28.78**	**26.51**

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 2019	As at 31st March 2018
Mines Restoration expenditure (to be settled at Mines closure)		
Opening Balance	20.59	19.30
Add: Unwinding of discount on mine restoration expenditure	2.26	2.12
Less: Reversal of provision	(0.64)	(0.83)
Closing Balance	**22.21**	**20.59**

20. Current borrowings (at amortised cost)

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Secured loans		
Loan repayable on demand		
From bank -working capital loan	136.68	4.55
Unsecured loans		
Loan repayable on demand		
From bank -working capital loan	15.00	300.00
Total	**151.68**	**304.55**

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.

Borrowings have been drawn at following rate of interest.

	Rate of interest p.a.
Cash Credit	9.15 to 9.65%
Short term Loan	9.15 to 9.95%

21. Trade Payable

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Total outstanding dues of Micro enterprise and Small enterprise	4.77	1.57
Total outstanding dues of creditors other than Micro enterprises and small enterprises		
Acceptances	200.61	177.19
Other than acceptances	466.16	319.93
Total	**671.54**	**498.69**

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

Refer note 34 (i) with respect to amount payable to Related Parties.

22. Other current financial liabilities (at amortised cost)

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Current maturities of long-term borrowings (refer note 17)	274.02	127.04
Interest accrued but not due on borrowings	0.16	0.53
Payable for capital projects		
- Acceptances	18.09	68.05
- Other than acceptances	138.50	164.42
Security deposit received	106.77	87.92
Del Credre finance payable	72.45	50.58
Total	**609.99**	**498.54**

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 2019	As at 31st March 2018
Current dues of long-term employee benefits	0.81	0.52
Advances from customers	11.80	2.69
Statutory liabilities	69.50	35.40
Other Payables	2.75	0.64
Total	**84.86**	**39.25**

24. Revenue from Operations

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Sale of Products		
Finished goods	2,580.50	1,608.28
Traded	8.90	20.66
Other operating revenue		
Scrap sale	20.01	9.63
Government incentive (refer note 2 (vii))	37.92	7.77
Revenue from operations	**2,647.33**	**1,646.34**

Refer note 34 (n) for details of contract liability

Timing of revenue recognition is at point in time ₹2647.33 crores

Reconciliation of Revenue from sale of products with the contracted price

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Contracted Price	2,802.77	1,767.64
Less: Trade Discount, Volume, Rebate etc.	(213.37)	(138.70)
Sale of Products	**2,589.40**	**1,628.94**

25. Other Income

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Interest income from loan to Related party	42.97	12.11
Interest income from Others	8.15	11.86
Dividend income from non current investments designated at FVTOCI	0.12	0.19
Profit on sale of current investments	1.22	3.47
Write Back of excess provision	6.14	1.35
Miscellaneous income	7.00	4.09
Total	**65.60**	**33.07**

26. Cost of Raw Material Consumed

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Inventory at the beginning of the year	66.62	21.57
Add : Purchases	659.78	253.89
Less: Inventory at the end of the year	(113.82)	(66.62)
Total	**612.58**	**208.84**

27. Purchases of stock in trade

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Granulated Blast Furnace Slag	1.45	1.21
Cement	4.70	1.50
Limestone	-	11.33
Total	**6.15**	**14.04**

28. Changes in Inventories of finished goods, work in progress and stock in trade

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Inventories at the beginning of the year		
Finished goods	19.95	18.16
Semi finished goods	26.34	28.05
	46.29	**46.21**
Trial run stock inventories during the year		
Finished goods	-	3.13
Semi finished goods	-	0.28
	-	**3.41**
Inventories at the end of the year		
Finished goods	25.05	19.95
Semi finished goods	14.17	26.34
Total Inventories at the end of the year	**39.22**	**46.29**
	7.07	**3.33**
Excise duty on stock of finished goods (net)	-	(0.40)
Total	**7.07**	**2.93**

29. Employee Benefits Expense

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Salaries and wages	130.19	96.70
Employee stock option expense	3.72	(7.01)
Contributions to provident fund and other funds (refer note 34 g)	5.08	3.91
Gratuity expense (Refer note 34 g)	1.42	0.69
Staff welfare expenses	3.48	2.36
Total	**143.89**	**96.65**

There has been Supreme Court (SC) judgement dated 28th February, 2019 relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the judgement including the effective date of application. The company will continue to assess any further developments in this matter for the implications on financial statements, if any.

30. Other expense

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Consumption of stores and spares	27.27	21.74
Packing Cost	86.27	48.11
Repairs and maintenance expenses:		
-Repairs to buildings	1.59	1.07
-Repairs to machinery	37.69	22.96
-Others	6.32	1.84
Rent (refer 2 note (j))	7.70	5.86
Rates and taxes	1.71	3.33
Insurance	2.98	3.00
Legal & professional	13.30	12.88
Advertisement & publicity	41.09	59.93
Commission on sales	35.93	23.37
Rebates & discounts	26.77	19.72
Selling & distribution expenses	9.63	3.66
Branding fees	2.60	1.58
Auditors remuneration (Refer 34 I)	0.33	0.32
Loss on sale of Fixed assets	1.14	0.37
Postage & telephone	1.07	1.16
Printing & stationery	0.61	0.60
Travelling expenses	30.28	14.59
Corporate social responsibility expense (refer note 34 O)	4.63	3.01
Software and IT related expenses	3.11	1.89
Net loss on foreign currency translation and transactions	2.54	2.28
Miscellaneous expenses	24.40	11.64
Total	**368.96**	**264.91**

31. Finance Costs

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Interest expenses	219.73	167.83
Unwinding of interest on financial liabilities at amortised cost	9.25	13.14
Unwinding of discount on mines restoration expenditure	2.26	2.12
Other borrowing cost	4.48	7.63
Total	**235.72**	**190.72**

32. Depreciation and Amortization Expense

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Depreciation on Property, plant and equipment	100.33	67.82
Depreciation of Asset constructed on property not owned by company	5.44	4.72
Amortization of Intangible assets	1.53	0.66
Total	**107.30**	**73.20**

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 2019	31st March 2018
Long term borrowings	2,108.23	1,754.78
Current maturities of long term debt	274.02	127.04
Short term borrowings	151.68	304.55
Less: Cash and cash equivalent	(22.20)	(205.56)
Less: Bank balances other than cash and cash equivalents	(1.05)	(86.02)
Less: Current investment	-	-
Net Debt	2,510.68	1,894.79
Total Equity	1,293.84	1,171.73
Gearing ratio	1.94	1.62

(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 2019		31st March 2018	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	22.20	22.20	205.56	205.56
Bank balances other than cash and cash equivalents	1.05	1.05	86.02	86.02
Trade receivables	392.69	392.69	164.48	164.48
Loans	633.41	633.41	256.74	256.74
Other financial assets	62.88	62.88	71.72	71.72
Total financial assets at amortised cost (A)	**1,112.23**	**1,112.23**	**784.52**	**784.52**
Measured at fair value through other comprehensive income				
Non current investments	28.86	28.86	26.73	26.73
Total financial assets at fair value through other comprehensive income (B)	**28.86**	**28.86**	**26.73**	**26.73**
Total Financial assets (A+B)	**1,141.09**	**1,141.09**	**811.25**	**811.25**
Financial liabilities				
Measured at amortised cost				
Long term borrowings #	2,382.25	2,382.25	1,881.82	1,881.82
Short term borrowings	151.68	151.68	304.55	304.55
Trade payable	671.54	671.54	498.69	498.69
Other financial liabilities	352.38	352.38	399.80	399.80
Total financial liabilities at amortised cost	**3557.85**	**3557.85**	**3084.86**	**3084.86**

including current maturities of long term debt

Financial Instruments (Continued)

A. Risk Management Framework

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

B. Financial Risk Management

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

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

i. Market risk

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

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

ii. Interest rate risk

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

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

₹ crores

Particular	As at 31st March 2019	As at 31st March 2018
Fixed rate borrowings	-	-
Floating rate borrowings	2,394.03	1,893.79
Total borrowings	**2,394.03**	**1,893.79**
Total Net borrowing	2,382.25	1,881.82
Add: Upfront fees	11.78	11.97
Total borrowings	**2,394.03**	**1,893.79**

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 2019 would decrease / increase by ₹25.76 crores (for the year ended 31st March 2018: decrease / increase by ₹4.38 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. A single largest customer has total exposure in sales of 6%.The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Our historical experience of collecting receivables indicate a low credit risk. Hence, trade receivables are considered to be a single class of financial assets.

As per policy receivables are classified into different buckets based on the overdue period ranging from 6 months – one year to more than one year. There are different provisioning norms for each bucket which are ranging from 2% to 5%.

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

₹ crores

Particular	As at 31st March 2019	As at 31st March 2018
Balance at the beginning of the year	**0.13**	**0.14**
Change in allowance for trade receivable which have significant increase in credit risk	0.05	(0.01)
Less : Trade receivable written off during the year	-	-
Balance as at the end of the year	**0.18**	**0.13**

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 19 and 31st March 18 is the carrying amounts mentioned in Note no 13

Loans and investment

The Company's centralised treasury function manages the financial risks relating to the business. The treasury function focusses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits assigned for each of the counterparty. The limits are set to minimise the concentration of risks and therefore mitigate the financial loss through counter party's potential failure to make payments.

iv. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. . The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Liquidity exposure as at 31st March 2019

₹ crores

Particulars	Contractual cash flows			
	< 1 year	**1-5 year**	**> 5 years**	**Total**
Financial Assets				
Cash and cash equivalents	22.20	-	-	22.20
Bank balances other than cash and cash equivalents	1.05	-	-	1.05
Trade receivables	392.69	-	-	392.69
Loans	489.95	143.46	-	633.41
Non current investments	-	-	28.86	28.86
Other financial assets	62.88	-	-	62.88
Total Financial assets	**968.77**	**143.46**	**28.86**	**1,141.09**
Financial liabilities				
Long term borrowings	-	1,374.26	733.97	2,108.23
Short term borrowings	151.68	-	-	151.68
Trade payable	671.54	-	-	671.54
Other financial liabilities	609.99	16.41	-	626.40
Total financial liabilities	**1,433.21**	**1,390.67**	**733.97**	**3,557.85**

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	**1,301.78**	**1,027.43**	**755.65**	**3,084.86**

Collateral

The Company has pledged part of its trade receivables in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered.

Level wise disclosure of financial instruments

₹ crores

Particulars	31st March 2019	31st March 2018	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial assets :				
Investment in Equity Shares measured at FVTOCI	28.44	26.34	Level 1	Quoted Bid Prices in an active market.
Mutual Funds	0.42	0.39		
Loans to related parties and intercorporate loans	630.50	254.17	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	2.13	(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.
Borrowings	2,259.91	2,059.33	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.

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

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

Financial Instruments (Continued)

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 31 March 2019

₹ crores

Particulars	CHF (₣)	USD ($)	EURO (€)	AED (د.إ)	INR (₹)	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	22.20	22.20
Bank balances other than cash and cash equivalents	-	-	-	-	1.05	1.05
Trade receivables	-	-	-	-	392.69	392.69
Loans	-	-	-	104.73	528.68	633.41
Non current investments	-	-	-	22.51	195.69	218.20
Other financial assets	-	-	-	1.59	61.29	62.88
Total Financial assets	**-**	**-**	**-**	**128.83**	**1,201.60**	**1,330.43**
Financial liabilities						
Long term borrowings	-	-	-	-	2,108.23	2,108.23
Short term borrowings	-	-	-	-	151.68	151.68
Trade payable	0.02	82.65	0.76	-	588.11	671.54
Other financial liabilities	-	-	18.09	-	608.31	626.40
Total financial liabilities	**0.02**	**82.65**	**18.84**	**-**	**3,456.34**	**3,557.85**

Currency exposure as at 31st March 2018 ₹ crores

Particulars	USD ($)	EURO (€)	AED (د.إ)	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**	**-**	**2,925.58**	**3,084.86**

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. The Company purchased substantially all of its clinker from third parties in the open market during the year.

If Clinker import price had been 1 US Dollar higher / lower and all other variables were constant, the company's profit for the year ended 31st March 2019 would decrease / increase by ₹4.27 crores (for the year ended 31st March 2018: decrease / increase by ₹1.19 crores).

34. Other Notes

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

₹ crores

Sr. No.	Particulars	As at 31st March 2019	As at 31st March 2018
i)	Differential Custom duty in respect of Import of Steam Coal	22.50	22.50
ii)	Excise Duty & Service tax credit in respect of capital goods and input services	53.69	44.82
iii)	Cess under the Building and other Constructions Workers Act, 1946	1.05	1.05
iv)	VAT exemption on sales made to SEZ unit	0.05	0.05
v)	Income Tax	0.05	0.32
	Total	**77.34**	**68.74**

b) Commitments

₹ crores

Sr. No.	Particulars	As at 31st March 2019	As at 31st March 2018
i)	Estimated amount of Contract remaining to be executed on capital accounts and not provided for (net of advances)	108.62	220.97

c) In the opinion of the Management, the current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the Balance Sheet in the ordinary course of business. Provisions are for all known liabilities and same is adequate and not in excess of what is required.

d) The company is yet to receive balance confirmations in respect of certain Trade Payables, Advances and Trade Receivables. The management does not expect any material difference affecting the amount at which they are stated.

e) Employee Share Based Payments Plans:

The Company has provided share-based payment schemes to its employees.

The shareholders of the Company in their meeting held on 30th March 2016 formulated the JSW Cement Employee Stock Ownership Plan- 2016 ('ESOP Plan') which was amended by the shareholders in their Extra-Ordinary General Meeting held on 21st May 2016 and further amended in Extra-Ordinary General Meeting held on 30th May 2017. All Employees designated as Junior Manager (L08) and above will be considered for Grant under this Scheme. The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. Three grants have been made under ESOP plan 2016 to eligible employees on the rolls of the company as at 1st April 2016, 1st April 2017 and 1st April 2018.

Grant 1 has vesting period of 1 year. Grant 2 and Grant 3, 50%of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the 4th year with vesting condition that employee is in continuous employment till the date of vesting. The exercise price would be determined by the ESOP committee at a certain discount to the fair value on the date of grant.

The other relevant terms of the grant are as follows:

Particulars	ESOP Plan 2016		
	2016-17	2017-18	2018-19
Date of Grant	1st April, 2016	1st April, 2017	1st April, 2018
Grants Outstanding as on 1st April		4,953,159	8,823,782
Grants given during the year	5,620,950	5,615,072	13,488,024
Grants forfeited (by cash payout) during the year	-	-	-
Grants forfeited during the year	667,791	856,440	1,871,013
Grants exercised during the year	-	888,009	-
Grants outstanding as on 31st March	4,953,159	8,823,782	20,440,793
Vesting period	March 2017	March 2020 and March 2021	March 2021 and March 2022
Method of settlement	Cash	Cash	Cash
Exercise Price (₹ per share)	68.70	68.51	42.77
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are
Weighted average values of the share price	Not applicable	Not Applicable	Not Applicable
Weighted average Exercise Price	68.70	68.60	53.5
Expected Volatility	37.28% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry	31.83% to 32.5% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry	28.79% to 30.82% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry
Expected Option life	3.5 years The expected option life is assumed to be midway between the option vesting and expiry	4 to 4.5 Years The expected option life is assumed to be midway between the option vesting and expiry	3.5 to 4.5 Years The expected option life is assumed to be midway between the option vesting and expiry
Risk-Free Interest rate	7.32% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.	6.62% to 6.7% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.	7.04% to 7.21% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.
The method used and the assumptions made to incorporate the effects of early exercise	Black Scholes Value	Black Scholes Value	Black Scholes Value
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life
Whether and how any other features of the option grant were incorporated into the measurement of the fair value, such as market condition			

Expenses arising from Employees' Share based payment plans debited to Profit & Loss Account ₹3.72 crores (Previous Year Nil*)

*Due to change in fair value of Grants, amount of ₹7.01 crores is reversed in previous 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 2019	6	Buy	11.95	83.19
31st March 2018	3	Buy	4.15	27.15

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 2019	2.33	-	18.09
	As at 31st March 2018	6.24	2.66	67.60
b)	Import of Raw Material & Fuel			
	As at 31st March 2019	-	-	-
	As at 31st March 2018	-	2.10	13.65
c)	Supplier's/ Buyers' Credit			
	As at 31st March 2019	-	-	-
	As at 31st March 2018	-	10.07	65.49
d)	Interest Accrued but not due on Suppliers'/ Buyers' Credit			
	As at 31st March 2019	-	0.02	0.16
	As at 31st March 2018	0.01	0.04	0.28

iii) The foreign currency exposures that have been hedged by derivative instruments or otherwise as at Balance Sheet date are:

Sr. No.	Particulars	USD equivalent (million)	₹ crores equivalent
a)	Import of Raw Material & Fuel		
	As at 31st March 2019	8.70	60.18
	As at 31st March 2018	-	-
b)	Suppliers'/ Buyers' Credit		
	As at 31st March 2019	3.25	22.47
	As at 31st March 2018	4.15	27.15
c)	Interest Accrued but not due on Suppliers'/ Buyers' Credit		
	As at 31st March 2019	-	-
	As at 31st March 2018	0.01	-

g) Employee Benefits:

i) Defined Contribution Plan:

The company operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the company in funds under the control of the trustee. The defined benefit plans are administered by a separate fund that is legally separated from the entity.

ii) Defined Benefit Plans

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58 and 60 without any payment ceiling. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years.

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, Demographic risk and salary risk.

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest Rate Risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
Demographic Risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Salary Escalation Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2019 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 2019 Funded	As at 31st March 2018 Funded
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	5.71	4.32
Acquisition adjustment	-	-
Service Cost	1.34	1.14
Interest Cost	0.45	0.32
Actuarial (gain)/loss on obligation	0.16	0.36
Benefits paid	(0.38)	(0.42)
Closing Balance	**7.28**	**5.72**
b. Fair Value of Plan assets:		
Opening Balance of Fair Value of Plan Assets	4.14	3.12
Expected Return on Plan assets less loss on investments	0.32	0.23
Actuarial gain / (loss) on Plan Assets	0.05	0.01
Employers' Contribution	2.08	1.20
Benefits paid	(0.38)	(0.42)
Closing Balance	**6.21**	**4.14**
c. Net Asset/(Liability) recognized in the Balance Sheet:		
Present Value of obligations	(7.28)	(5.72)
Fair Value of plan asset	6.21	4.14
Net Asset/(Liability) recognized in the Balance Sheet (Refer Note 19)	**(1.07)**	**(1.58)**
d. Expenses during the Year:		
Service cost	1.34	1.14
Interest cost	0.45	0.32
Expected Return on Plan assets	(0.32)	(0.23)
Component of defined benefit cost recognized in the statement of Profit & Loss	**1.47**	**1.23**
Component of defined benefit cost recognized in Other comprehensive income	**0.10**	**0.35**
e. Break up of Plan Assets as a percentage of total plan assets:		
Insurer Managed Funds - Value (100%)	6.21	4.14
f. Principal actuarial assumptions:		
Rate of Discounting	7.7% p.a.	7.8% p.a.
Rate of increase in salaries	6.0% p.a.	6.0% p.a.
Attrition Rate	2.0% p.a.	2.0% p.a.
g. Breakup of Plan Assets:		
HDFC Group Unit Linked Plan - Option B	1.13	0.79
HDFC Life Stable Management Fund	1.09	0.74
HDFC Life Defensive Managed Fund	0.58	0.54
Canara HSBC OBC Life Group Traditional Plan	3.40	2.07
Bank Balance	0.01	-
Total	**6.21**	**4.14**

The Company has created irrevocable trust named "JSW Cement Employees' Gratuity Trust" for providing gratuity benefits to the employees and current year contribution to the trust is ₹2.08 crores (Previous Year ₹1.2 crores).

iv) Experience Adjustments

₹ crores

Particulars	As at 31st March 2019	As at 31st 31st March 2018	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015
Defined Benefit Obligation	7.28	5.71	4.32	3.49	1.72
Plan Assets	6.21	4.14	3.12	1.86	1.14
Deficit	(1.07)	(1.57)	(1.20)	(1.63)	(0.58)
Experience Adjustments on Plan Liabilities-Loss/(Gain)	0.08	0.61	0.15	0.09	0.15
Experience Adjustments on Plan Assets-Loss/(Gain)	(0.05)	(0.01)	(0.10)	0.03	0.01

a) The Company expects to contribute 2.58 crores to its gratuity plan for the next year.

b) In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC Ultimate Tables 2006-08.

c) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

d) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

e) Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of obligation after considering several applicable factors such as composition of plan assets, investment strategy, market scenario etc.

v) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

₹ crores

Particulars	As at 31st March 2019		As at 31st March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(6.57)	8.11	(5.16)	6.37
Future salary growth (1% movement)	8.12	(6.56)	6.38	(5.14)
Attrition rate (1% movement)	7.35	(7.20)	5.77	(5.64)
Mortality rate (1% movement)	7.29	(7.28)	5.72	(5.71)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same as that applied in calculating the defined benefit obligation recognised in Balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

vi) Maturity Profile of Defined Benefit Obligation

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Weighted average duration (based on discounted cash-flows)	11 Years	11 years
1 Year	0.62	0.35
2 to 5 Year	1.75	1.66
6 to 10 Year	3.22	2.54
More than 10 Years	14.52	11.58

vii) Provident Fund:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Company's provident fund contribution, in respect to employees, is made to a government administered fund and are recognized as expenses during the period in which the employees perform the services that the payment covers.

Company's contribution to Provident Fund recognized in statement of Profit and Loss ₹3.46 crores (Previous Year ₹2.59 crores) (refer note 29).

Company's contribution to ESIC recognized in statement of Profit and Loss ₹0.02 crores (Previous Year ₹0.02 crores) (refer note 29).0

viii) Compensated Absences

Assumptions used in accounting for compensated absences

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Present value of obligation	6.31	4.83
Expense recognized in Statement of Profit or loss	2.26	1.64
Discount rate (p.a.)	7.70%	7.80%
Salary escalation (p.a.)	6.00%	6.00%

h) Segment reporting:

The Company is primarily in the business of manufacturing and sale of cement and cement related product. As per IND AS 108 "Operating Segments" specified under Section 133 of the Companies Act 2013, there are no other reportable business applicable to the company.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below.

a) Revenue from operations

₹ crores

Particulars	For Year ended 31st March 2019	For Year ended 31st March 2018
Within India	2,642.73	1,646.34
Outside India	4.60	-
Total	**2,647.33**	**1,646.34**

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

b) Non-current operating assets

All non -current assets of the Company are located in India.

i) Related parties disclosure as per Indian Accounting Standard IND AS -24 :

A)	**List of Related Parties**
1.	**Holding Company**
	Adarsh Advisory Service Private Limited
2.	**Subsidiary Company**
	JSW Cement FZE
	Shiva Cement Limited
	Utkarsh transport Private limited
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 Green Energy Limited (Formerly known as 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
	JSW Foundation
	JSW Realty and Infrastructure Private Limited
	JSW Projects Limited
	JSW Severfield Structures Limited
	Art India Publishing Company Private Limited
	Tranquil Homes & Holdings Private Limited
	JSW Jaigarh Port Limited
	JSW Paints Private Limited
	JSW Structural Metal Decking
	Sajjan Jindal Trust

4	**Key Managerial Personnel**
	Mr. Parth Sajjan Jindal (Managing Director)
	Mr. Nilesh Narwekar (Whole Time Director & CEO)
	Mr. Narinder Singh Kahlon (Director Finance & Chief Financial Officer)
	Mr. Rahul Dubey (Company Secretary)

B) Nature of transactions

₹ crores

Transactions during the Year	For the year ended 31st March 2019	For the year ended 31st March 2018
Purchase of Goods/ Power & Fuel/ Services:		
JSW IP Holdings Private Limited	2.94	2.14
JSW Steel Limited	84.29	105.70
JSW Energy Limited	79.87	59.96
JSW Steel Coated Products Limited	1.22	5.57
JSW Structural Metal Decking	-	0.13
South - West Mining Limited	-	10.38
JSW International Tradecorp PTE Limited	41.53	6.62
JSW Dharamtar Port Private Limited	7.92	4.19
JSW Green Energy Limited	17.29	24.10
Amba River Coke Limited	8.13	0.25
JSW Cement FZE	-	3.51
JSW Global Business Solutions Limited	7.02	6.46
Shiva Cement Limited	11.01	3.44
Art India Publishing Company Private Limited	0.05	0.08
Utkarsh Transport Private Limited	4.48	-
Total	**265.75**	**232.53**
Lease rent paid:		
JSW Steel Limited	2.95	2.94
JSW Bengal Steel Limited	1.49	1.25
Descon Limited	0.88	0.40
JSW Realty and Infrastructure Private Limited	0.27	-
Tranquil Homes & Holdings Private Limited	0.49	0.42
Shiva Cement Limited	0.01	-
Total	**6.09**	**5.01**
Lease Rent Received:		
JSW Steel Limited	5.81	3.00
Total	**5.81**	**3.00**
Donation		
JSW Foundation	0.15	-
Total	**0.15**	**-**
Purchase of Assets:		
JSW Steel Limited	12.39	-
Total	**12.39**	**-**

Transactions during the Year	For the year ended 31st March 2019	For the year ended 31st March 2018
Reimbursement of expenses:		
JSW Steel Limited	9.31	6.41
JSW Bengal Steel Limited	0.83	1.55
JSW Realty and Infrastructure Private Limited	0.03	-
JSW Energy Limited	0.63	-
JSW Foundation	0.30	-
Descon Limited	0.02	-
Total	**11.12**	**7.96**
Sales of Goods / Other Income:		
JSW Steel Limited	186.08	69.06
JSW Steel Coated Products Limited	25.70	8.43
JSW Energy Limited	1.98	0.94
Amba River Coke Limited	0.38	0.04
Dolvi Coke Project Limited	14.50	12.42
JSW Dharamtar Port Private Limited	0.03	0.85
JSW Techno Projects Management Limited	1.13	1.25
JSW Steel (Salav) Limited	0.07	0.21
JSW Severfield Structures Ltd.	0.30	-
JSW Jaigarh Port Limited	0.31	2.79
JSW Projects limited	0.08	-
JSW Foundation	0.01	-
JSW Realty & Infrastructure Pvt Ltd	1.68	-
Shiva Cement Limited	0.31	-
Gopal Traders Private Limited	0.02	-
JSW Paints Private Limited	4.95	3.01
Total	**237.53**	**99.00**
Interest income on Loan/Deposit given to		
JSW Techno Projects Management Limited	-	0.59
JSW Global Business Solutions Limited	0.41	0.42
Shiva Cement Limited	14.40	9.14
Reynolds Traders Private Limited	0.31	-
JSW Cement FZE	1.59	-
JSW Sports Limited	23.75	0.43
Utkarsh Transport Private Limited	0.25	-
Sajjan Jindal Trust	0.02	-
TotalTotal	**40.73**	**10.58**

Transactions during the Year	For the year ended 31st March 2019	For the year ended 31st March 2018
Subscription to Equity Share Capital by:		
Adarsh Advisory Service Private Limited	-	535.84
Total	**-**	**535.84**
Recovery of expenses:		
JSW Energy Limited	0.83	0.46
JSW Bengal Steel Ltd	0.17	-
Total	**1.00**	**0.46**
Purchase of Equity Share:		
JSW Cement FZE	7.69	14.82
Utkarsh Transport Private Limited	1.01	-
Shiva Cement Limited	3.56	-
Total	**12.26**	**14.82**
Share Application Money:		
JSW Cement FZE	-	4.01
Total	**-**	**4.01**
Deposit given		
JSW Steel Limited	10.32	-
JSW Realty and Infrastructure Private Limited	0.90	-
Total	**11.22**	**-**
Loan given		
JSW Global Business Solutions Limited	-	0.76
JSW Sports Limited	206.25	68.75
Shiva Cement Limited	14.77	124.03
Utkarsh Transport Private Limited	4.79	-
Sajjan Jindal trust	9.00	-
JSW Cement FZE	104.73	-
Total	**339.54**	**193.54**
Loan Given- Received Back		
JSW Global Business Solutions Limited	-	0.55
Sajjan Jindal Trust	9.00	-
JSW Techno Projects Management Limited	-	20.00
UUtkarsh transport private limited	10.00	-
Shiva Cement Limited	6.97	-
Reynolds Traders Private Limited	2.89	-
Total	**28.86**	**20.55**

Compensation to Key Management Personnel

₹ crores

Nature of transaction	FY 2018-19	FY 2017-18
Short-term employee benefits**	7.14	6.65
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	**7.14**	**6.65**

1. **Amount includes ESOP from JSW Infrastructure Limited amounting to NIL (Previous Year ₹0.76 crores)
2. The Company has accrued ₹0.46 crores in respect of employee stock options granted to key managerial personnel. The same has not been considered as managerial remuneration of the Current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.
3. 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 2019, 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) Loan to subsidiary -

The Company had given loans to subsidiaries for general corporate purposes. The loan balances as at 31st March 2019 was Amounting ₹247.07 crores. These loans are unsecured and carry an interest rate 9.50%- 10.75% per annum.

b) Loans to other related parties-

The Company had given loans to other related parties for general corporate purposes. The loan balances as at 31st March 2019 was Amounting ₹278.75 crores. These loans are unsecured and carry an interest rate 9.50% to 11% per annum.

Lease Rent paid to Related Party:

For Vijaynagar Plant- Lease rent paid to JSW Steel Limited Vijaynagar works towards construction on lease land under sub-lease agreements, for 150 acres of land situated at Tornagallu village, District Bellary Karnataka at an annual rent of ₹0.60 crores.

For Dolvi Plant- Lease rent paid to JSW Steel Limited, Dolvi Works towards construction, for 20.55 acres of land situated at Dolvi, District Raigad, Maharashtra at an annual rent of ₹2.10 crores.

The Company had entered into arrangement with JSW Bengal Steel Limited to take on rent Guest House & accommodation facility for business purpose amounting to ₹1.49 crores (Previous Year Rs 1.25 crores) for period of 10 years, renewable at option of both the parties.

The Company had entered into arrangement with JSW Reality Infrastructure Private Limited for period of 25 years to take on rent accommodation facility for business purpose in its integrated township amounting to ₹0.27 crores, renewable at option of both the parties.

For Rent Received from JSW Steel Limited (Dolvi)

The Company had entered into lease arrangement for renting machinery with JSW Steel amounting to ₹5.81 crores (previous year: ₹3.0 crores) for a period of one year.

C) Closing balances:

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Trade Payables:		
JSW Steel Limited	13.18	10.02
JSW Energy Limited	35.36	3.39
JSoft Solutions Limited	0.66	0.66
South - West Mining Limited	-	1.59
Amba River Coke Limited	1.37	-
JSW Power Trading Co. Limited	-	0.19
JSW Steel (Salav) Limited	-	-
JSW Bengal Steel Limited	-	1.08
JSW Global Business Solutions Limited	1.68	0.68
Art India Publishing Company Private Limited	-	0.03
JSW IP Holding Private Limited	1.11	-
JSW Dharamtar Port Private Limited	1.98	-
Utkarsh transport private limited	1.90	-
Shiva Cement Limited	0.07	-
JSW Realty and Infrastructure Private Limited	0.59	-
JSW Cement FZE	-	3.51
Tranquil Homes & Holding Private Limited	0.11	0.04
Total	**58.01**	**21.19**
Deposit Given		
JSW Bengal Steel Limited	2.50	2.50
JSW IP Holdings Private Limited	0.10	0.10
JSW Steel Limited	10.32	-
JSW Realty and Infrastructure Private Limited	0.90	
Total	**13.82**	**2.60**
Advances Given		
JSW Steel Coated Products Limited	0.05	-
JSW Power Trading Company Limited	1.87	2.19
Amba River Coke Limited	-	0.20
JSW Bengal Steel Limited	0.20	0.90
JSW Dharamtar Port Private Limited	-	0.56
Descon Limited	0.14	0.10
Total	**2.26**	**3.95**

Particulars	As at 31st March 2019	As at 31st March 2018
Trade Receivables:		
JSW Steel Limited	81.25	13.01
JSW Steel Coated Products Limited	1.71	2.07
JSW Energy Limited	-	0.12
JSW Jaigarh Port Limited	0.34	0.02
Dolvi Coke Project Limited	4.08	4.59
Amba River Coke Limited	0.29	-
JSW Steel (Salav) Limited	0.01	-
JSW Techno Projects Management Limited	0.58	0.85
JSW Dharamtar Port Private Limited	0.30	1.08
JSW Foundation	0.01	-
JSW Realty and Infrastructure Private Limited	1.04	-
JSW Severfield Structures Limited	0.26	-
Gopal traders private limited	0.01	-
JSW Projects limited	0.08	-
JSW Paints Private Limited	0.59	0.57
Total	**103.84**	**22.31**
Creditors for Capital Expenditure		
JSW Steel Limited	-	25.20
Total	**-**	**25.20**
Investments held by the Company		
JSW Energy Limited	15.39	15.39
Shiva Cement Limited	165.82	162.26
JSW Steel Limited	10.95	10.95
JSW Cement FZE	14.82	14.82
Total	**206.98**	**203.42**
Advance given for Equity		
JSW Cement FZE	-	4.01
Total	**-**	**4.01**
Other Receivables		
JSW Steel Limited	5.81	3.00
JSW Cement FZE	0.32	-
Total	**6.13**	**3.00**
Loan given		
JSW Global Business Solutions Limited	3.75	3.75
Shiva Cement Limited	137.55	129.76
Utkarsh Transport Private limited	4.79	-
JSW Cement FZE	104.73	-
JSW Sports Limited	275.00	68.75
Total	**525.82**	**202.26**

Particulars	As at 31st March 2019	As at 31st March 2018
Interest receivable on Loan given		
Utkarsh transport Private Limited	0.22	-
JSW Global Business Solutions Limited	0.47	0.11
Shiva Cement Limited	21.17	9.15
JSW Cement FZE	1.59	-
JSW Sports Limited	21.72	0.43
Sajjan Jindal Trust	0.02	-
Total	**45.19**	**9.69**

j) Operating Lease:

Lease rentals charged to Statement of profit and loss are:

₹ crores

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Office premises, residential flats etc.	7.70	5.86
Total	**7.70**	**5.86**

General Description of leasing agreements:

- Leased Assets: Godowns, Offices, Flats and Others.
- Future Lease rentals are determined on the basis of agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms

k) i) Income tax expense:

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on 31st March. For each fiscal year, the company's profit or loss is subject to the higher of the regular income tax payable or the minimum alternative tax ("MAT")

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for investment allowance, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 30% plus a surcharge and education cess. MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2018-19 is 21.55%. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

In current financial year, Education Cess has been increased from 3% to 4% thereby increasing the corporate tax rate from 36.61% to 34.94%

₹ crores

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Current tax:		
Current Tax	36.96	22.56
Reversal pertaining to earlier year	-	0.50
Deferred tax:		
Deferred Tax (Asset) / Liability	55.06	15.49
Minimum Alternate Tax Credit Entitlement	(36.96)	(23.06)
Total deferred tax	**(18.10)**	**(7.57)**
Total tax expense	**55.06**	**15.49**

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ crores

Particular	For the Year	
	31st March 2019	31st March 2018
Profit Before Tax	**173.52**	**106.18**
Enacted Tax rate in India	34.94%	34.61%
Expected income tax expense at statutory tax rate	**60.63**	**36.75**
Tax effect of:		
Income exempt from taxation	(64.23)	(51.39)
Expense not deductible in determining taxable profit	3.59	6.55
Tax provision/(reversal) of earlier year	-	0.50
others	-	(2.06)
Total Tax effect	**(60.63)**	**(46.40)**
Deferred tax on account of		
Property, Plant & Equipment & Other Intangible Asset	50.78	26.17
Unabsorbed losses reversal	-	-
Financial Assets, Liabilities and Other Item	4.28	(1.03)
Deferred Tax	**55.06**	**25.14**
Tax Expense recognised in Statement of Profit and Loss	**55.06**	**13.55**
Effective Tax Rate	**31.73%**	**12.76%**

There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matter (refer note 34a).

Deferred tax assets / liabilities

Significant component of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Deferred Tax (Liability)/ Asset (Net)	(125.70)	(70.78)
MAT Credit entitlement	121.86	85.71
Balance at the end of the year	**(3.84)**	**14.93**

Deferred Tax comprises of timing differences on account of:

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Deferred Tax Liabilities		
Depreciation	(417.65)	(314.09)
Amortised cost of Borrowing & payable for capital project	(5.23)	(1.15)
Total	**(422.89)**	**(315.24)**
Deferred Tax Assets		
Expense allowable on payment basis	7.67	7.50
Provision for doubtful debts	0.18	0.16
Unabsorbed depreciation and business loss	298.57	236.79
Others	(0.27)	-
Total	**297.15**	**244.45**
Deferred Tax Asset/ (Liability) (net)	**(125.74)**	**(70.78)**

Movement in MAT Credit entitlement

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Balance at the beginning of the year	85.71	62.71
Add: MAT credit entitlement availed during the year	36.96	22.50
Less: Reversal of MAT credit entitlement	(0.81)	-
Add: MAT credit pertaining to earlier year	-	0.50
Balance at the end of the year	**121.86**	**85.71**

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.

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

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

l) Remuneration to Auditors

₹ crores

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Audit Fees		
Statutory Audit	0.30	0.25
Tax Audit	-	0.05
Certification & Out of pocket expenses	0.03	0.02
Total	**0.33**	**0.32**

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 31st March 2019	For the year ended 31st March 2018	For the year ended
Profit attributable to equity holders of the Company:	118.46	90.69
Profit attributable to equity holders of the Company for basic earnings	118.46	90.69
Profit attributable to equity holders of the Company adjusted for the effect of dilution	118.46	90.69

ii. Weighted average number of Equity shares

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Issued ordinary shares at 1st April	98,63,52,230	45,05,11,700
Effect of shares issued for cash	-	16,88,26,468
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	**98,63,52,230**	**61,93,38,168**

iii. Effect of Dilution

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Share Application Money	-	-
Convertible preference shares	-	-
Convertible debentures	-	-
Weighted average number of shares at 31st March	**98,63,52,230**	**61,93,38,168**

iv. Basic and Diluted earnings per share

Amount in ₹

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Basic earnings per share: (i/ii)	1.20	1.46
Diluted earnings per share: (i/iii)	1.20	1.46

n) Revenue recognised from Contract liability (Advances from Customers):

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Closing Balance of Contract Liability	11.80	2.69

The contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended 31st March 31 2019

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

The Company has incurred an amount of ₹5.01 crores (31st March 2018 ₹3.01) towards Corporate social responsibility (CSR) as per Section 135 of the Companies Act, 2013 and is included in other expenses

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Amount required to be spent as per Section 135 of the Act	2.18	1.98
Amount spend during the year on:		
(i) Construction / acquisition of an asset		-
(ii) On purpose other than (i) above	4.63	3.01
Total	**4.63**	**3.01**

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

₹ crores

Sr. No.	Particulars	As on 31st March 2019	As on 31st March 2018
1	Principal amount due outstanding as at 31st March	4.77	1.57
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	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid as at 31st March	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

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

Particulars	Party	2018-19		2017-18	
		Max amount O/s during the year	Closing Balance	Max amount O/s during the year	Closing Balance
	Utkarsh transport Private Limited	10.06	4.79	-	-
	JSW Global Business Solutions Private Limited	3.75	3.75	4.3	3.75
	Reynolds traders private limited	2.89	-	2.89	2.89
Loan given	Monnet Ispat & Energy limited	26.25	25.11	26.25	26.25
	Jindal Steel and Power Limited	22.77	21.57	22.77	22.77
	Jasani realty private limited	55.97	55.97	-	-
	JSW Cement FZE	104.73	104.73	-	-
	Shiva Cement Limited	138.16	137.55	129.76	129.76
	JSW Sports	275.00	275.00	68.75	68.75
Total		**591.70**	**581.79**	**254.72**	**254.17**
	JSW Energy Limited	-	17.31	-	15.39
	JSW Steel Limited	-	11.13		10.95
Investments	Shiva Cement Limited	-	165.82	-	162.26
	Utkarsh Transport Private limited	-	1.01	-	-
	JSW Cement FZE	-	22.51	-	14.82
Total		**-**	**217.78**	**-**	**203.42**

Details of investment made by the Company are given under note 5.

r) 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 and on behalf of the Board of Directors

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

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Vaibhav L Dattani
Partner
Membership No.: 144084

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Place: Mumbai
Date : 3rd May 2019

Rahul Dubey
Company Secretary

Independent Auditor's Report

TO THE MEMBERS OF JSW CEMENT LIMITED

Report on Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of JSW Cement Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance sheet as at 31st March 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under sub-section (10) of section 143 of the Act ('SAs'). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities;

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under sub-section (3)(i) of section 143 of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements of in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements

of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 2 subsidiaries, whose Ind AS financial statements include total assets of ₹221.27 crores as at 31st March 2019, and total revenues of ₹33.59 crores and net cash inflows of ₹0.02 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

(b) The consolidated financial statements include a subsidiary incorporated outside India. Its unaudited standalone financial statements are provided by the Management by translating to the Indian Accounting Standards prescribed under section 133 of the Act. The consolidated financial statements reflect total assets of ₹232.66 crores as at 31st March 2019, total revenues of ₹54.63 crores and net cash flows amounting to ₹9.34.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 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.

(c) The consolidated financial statements of the Company for the year ended 31st March 2019, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on 8th May 2018.

Our opinion on the above consolidated financial statment and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash

Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

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

(e) On the basis of the written representations received from the directors of the Parent as on 31st March 2019 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31st March 2019 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 Holding Company and its subsidiary incorporated in India.

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended 31st March 2019 has been paid / provided by the Holding Company, its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 34(a) to the consolidated financial statements;

ii. The Group did not have any long-term contracts including derivative contracts as at 31st March 2019 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 Holding Company and its subsidiary incorporated in India.

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

Vaibhav L Dattani
Partner
M. No.144084

Place: Mumbai

Date: 3rd May 2019

Annexure A
To The Independent Auditor's Report

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 (the 'Act')

In conjunction with our audit of the consolidated financial statements of JSW Cement Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of JSW Cement Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143 (10) 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 with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these 2 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

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

Vaibhav L Dattani
Partner
M. No.144084

Place: Mumbai
Date: 3rd May 2019

Consolidated Balance Sheet

As At 31st March 2019

₹ crores

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	2,839.98	2,403.91
(b) Capital work-in-progress	4.6	391.48	453.33
(c) Other intangible assets	4A	21.68	19.45
(d) Intangible assets under development	4B	0.27	0.09
(e) Goodwill	34 (r)	217.30	214.01
(f) Financial assets			
(i) Investments	5	28.86	26.73
(ii) Loans	6	38.73	100.31
(iii) Other financial assets	7	0.10	48.14
(g) Deferred tax assets(net)	8	24.36	30.84
(h) Income tax assets (net)	9	5.92	6.03
(i) Other non-current assets	10	258.79	141.94
Total non-current assets		**3,827.47**	**3,444.78**
Current assets			
(a) Inventories	11	279.71	229.37
(b) Financial assets			
(i) Trade receivables	12	395.57	168.21
(ii) Cash and cash equivalents	13	33.76	207.80
(iii) Bank balances other than (ii) above	14	3.50	86.73
(iv) Loans	6	347.65	28.85
(v) Other financial assets	7	40.58	16.08
(c) Other current assets	10	243.22	263.33
Total current assets		**1,343.99**	**1,000.37**
Total assets		**5,171.46**	**4,445.15**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	986.35	986.35
(b) Other equity	16	367.12	263.59
Equity attributable to owners of the Company		**1,353.47**	**1,249.94**
(c) Non controlling interest		13.44	23.60
Total equity		**1,366.91**	**1,273.54**
Non current Liabilities			
(a) Financial liabilities			
(i) Borrowings	17	2,120.04	1,754.77
(ii) Other financial liabilities	18	16.47	28.30
(b) Provisions	19	33.81	30.98
(c) Deferred tax liabilities (Net)	8	3.83	-
Total non-current liabilities		**2,174.15**	**1,814.05**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	151.68	304.55
(ii) Trade payables			
Total outstanding dues of Micro enterprise and small enterprises		4.77	1.57
Total outstanding dues of creditors other than Micro enterprises and small enterprises	21	723.70	504.79
(iii) Other financial liabilities	22	664.09	503.24
(b) Other current liabilities	23	86.16	43.41
Total current liabilities		**1,630.40**	**1,357.56**
Total liabilities		**3,804.55**	**3,171.61**
Total equity and liabilities		**5,171.46**	**4,445.15**

See accompanying notes to the consolidated financial statement

As per our attached report of even date

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

Vaibhav L Dattani
Partner
Membership No.: 144084

Place: Mumbai
Date: 3rd May 2019

For and behalf of Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Rahul Dubey
Company Secretary

Consolidated Statement of Profit and Loss

For The Year Ended 31st March 2019

₹ crores

	Particulars	Note No.	For the year ened 31st March 2019	For the year ened 31st March 2018
I	Revenue from operations	24	2,722.23	1,669.50
II	Other income	25	49.56	24.20
III	Gain arising from remeasurement of previously held equity interest in subsidiary (Refer note 34 (r))		-	98.40
IV	**Total Income (I+ II+III)**		**2,771.79**	**1,792.10**
V	**Expenses**			
	Cost of raw material consumed	26	671.86	221.44
	Purchases of stock in trade	27	2.13	10.06
	Changes in inventories of finished goods, Semi finished goods and stock-in-trade	28	0.22	(2.48)
	Employee benefits expense	29	148.43	100.39
	Excise duty expense		-	51.39
	Power and fuel		446.39	299.00
	Freight and handling expenses		642.75	393.66
	Other expenses	30	379.81	272.58
			2,291.59	**1,346.04**
	Less: Captive consumption		(9.90)	(5.04)
	Total Expenses (V)		**2,281.69**	**1,341.00**
VI	**Earnings before interest, tax, depreciation and amortisation (EBITDA) (IV-V)**		**490.10**	**451.10**
VII	Finance costs	31	237.04	195.38
VIII	Depreciation and amortization expense	32	116.13	81.14
IX	**Profit before exceptional items and tax (VI-VII-VIII)**		**136.92**	**174.58**
X	**Exceptional Items**	34 (d)	**-**	**10.12**
XI	**Profit before tax (IX-X)**		**136.92**	**164.46**
XII	**Total tax expenses**	34 l	**46.61**	**6.69**
XIII	**Profit for the year (XI - XII)**		**90.31**	**157.77**
XIV	**Share of loss in Associate**		**-**	**(7.93)**
XV	**Total Profit for the year (XIII - XIV)**		**90.31**	**149.84**
XVI	**Other comprehensive income /(loss)**			
A	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the defined benefit plans		(0.12)	(0.34)
	(b) Equity instruments through other comprehensive income		(0.02)	5.95
	ii) Income tax relating to items that will not be reclassified to profit or loss		0.05	(1.94)
	Total (A)		**(0.09)**	**3.67**
B	ii) Items that will be reclassified to profit or loss			
	(a) Foreign currency translation reserve (FCTR)		(0.20)	(0.03)
	Total (B)		**(0.20)**	**(0.03)**
	Total other comprehensive income/(loss) (A+B)		**(0.29)**	**3.64**
XVII	**Total comprehensive income (XV + XVI)**		**90.02**	**153.48**
	Total Profit /(loss) for the year attributable to:			
	- Owners of the Company		99.99	164.29
	- Non - controlling interest		(9.69)	(14.45)
	Other comprehensive income/(loss) for the year attributable to:			
	- Owners of the Company		(0.28)	3.64
	- Non - controlling interest		(0.01)	0.00
	Total Comprehensive income/ (loss) for the year attributable to:			
	- Owners of the Company		99.71	167.93
	- Non - controlling interest		(9.69)	(14.45)
	Earnings per equity share (face value of ₹ 10/- each)	34(n)		
	- Basic (in ₹)		0.92	2.42
	- Diluted (in ₹)		0.92	2.42
	See accompanying notes to the consolidated financial statement			

As per our attached report of even date

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

For and behalf of Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Vaibhav L Dattani
Partner
Membership No.: 144084

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Place: Mumbai
Date: 3rd May 2019

Rahul Dubey
Company Secretary

Consolidated Cash Flow Statement

For The Year Ended 31st March 2019

₹ crores

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
PROFIT BEFORE TAX	**136.92**	**174.57**
Adjustments for:		
Interest income	(35.08)	(15.11)
Dividend on long-term investments	(0.12)	(0.19)
Gain on sale of current investments	(1.22)	(3.47)
Gain on sale of Property, plant and equipment	1.33	-
Write back of excess provision	(6.15)	(1.35)
Unrealised foreign exchange gain / (loss)	0.45	(2.29)
Depreciation and amortisation expense	116.14	81.14
Interest costs on borrowings	237.04	197.67
Operating profit before working capital changes	**449.31**	**430.98**
Movements in Working Capital:		
(Increase) in Trade receivables	(227.35)	(39.38)
(Increase) in Inventories	(50.33)	(71.58)
(Increase) Loans & advances*	(50.96)	(32.52)
(Increase) / Decrease financial assets	43.67	(3.57)
(Increase) / Decrease Other assets*	(1.58)	(49.21)
Increase in Trade payables	222.11	168.28
Increase Other liabilities*	93.92	54.92
Cash used in Operations	**478.79**	**457.91**
Income taxes paid (net)	(36.03)	(31.03)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**442.76**	**426.88**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment including capital advances	(629.62)	(887.14)
Interest received	14.95	11.87
Investment in associate & subsidiary	(5.42)	(84.78)
Dividend on long-term investments	0.12	0.19
Gain/(loss) on Purchase/Sale of current investments	1.22	3.45
Loan given to related party (net)	(206.25)	(43.23)
NET CASH USED IN INVESTING ACTIVITIES	**(825.00)**	**(999.64)**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of equity share capital	-	535.84
Proceeds from non-current borrowings	672.01	2,250.30
Proceeds / (Repayment) from current borrowings	(152.87)	82.13
Repayment of non-current borrowings	(156.79)	(1,927.22)
Interest paid on borrowings	(237.40)	(199.72)
NET CASH GENERATED FROM FINANCING ACTIVITIES	**124.95**	**741.32**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B +C)	**(257.29)**	**168.56**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**294.54**	**125.97**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR [Refer Note 13 and 14]	**37.25**	**294.53**

*** Includes current/ non-current**

Consolidated Cash Flow Statement (Continued)

For The Year Ended 31st March 2019

Reconciliation forming part of cash flow statement

Particulars	1st April 2018	Cash Flow (net)	others	31st March 2019
Borrowing (non-current) (including current maturities of long-term borrowing included in other financial liabilities)	1,881.81	515.24	(0.01)	2,397.04
Borrowing Current	304.55	(152.87)	-	151.68
Particulars	**1st April 2017**	**Cash Flow (net)**	**others**	**31st March 2019**
Borrowing (non-current) (including current maturities of long-term borrowing included in other financial liabilities)	1566.94	323.08	(8.21)	1,881.81
Borrowing Current	222.43	82.13	(0.01)	304.55

See accompanying notes to the consolidated financial statement

Notes:

1. The Cash Flow Statement has been prepared under the" indirect method"as set out in IND AS 7 - Statement of Cash Flows
2. Others comprises of upfront fees amortisation.

As per our attached report of even date

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

Vaibhav L Dattani
Partner
Membership No.: 144084

Place: Mumbai
Date: 3rd May, 2019

For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Rahul Dubey
Company Secretary

Consolidated Statement of Changes in Equity (SOCIE)

For The Year Ended 31st March 2019

(A) Equity Share Capital

₹ crores

Particulars	Total
Balance as at 1st April 2017	**450.51**
Changes in equity share capital during the year	535.84
Balance as at March 31 2018	**986.35**
Changes in equity share capital during the year	-
Balance as at March 31 2019	**986.35**

(B) Other Equity Capital

₹ crores

Particulars	Reserves & Surplus						Items of Other comprehensive income			Attributable to the owners of the parent	Non controlling interest
	Retained earnings	Capital reserve	Securities premium reserve	Legal Reserve	Share option outstanding	Business control	FCTR	Remeasurements of the net defined benefit Plans	Equity instruments through other comprehensive income		
Balance as at 1st April 2017	**87.54**	**-**	**-**	**-**	**-**	**-**	**(0.44)**	**(0.20)**	**0.57**	**87.47**	**-**
Profit during the year	149.83	-	-	-	-	-	-	-	-	149.83	18.13
Transfer to legal reserve	(0.02)	-	-	0.02	-	-	-	-	-	-	-
Business Combination	(22.74)	8.12	52.07	-	-	-	-	(0.05)	(14.21)	23.19	5.47
Share Issue Expenses	(0.54)	-	-	-	-	-	-	-	-	(0.54)	-
Other comprehensive income for the year	0.01	-	-	-	-	-	(0.04)	(0.22)	3.89	3.64	-
Balance as at 31st March 2018	**214.08**	**8.12**	**52.07**	**0.02**	**-**	**-**	**(0.48)**	**(0.47)**	**(9.75)**	**263.59**	**23.60**
Profit for the year	100.12	-	-	-	-	0.09	-	-	-	100.21	(9.81)
Transfer to legal reserve	(0.10)	-	-	0.10	-	-	-	-	-	-	-
Recognition of Share based payments	-	-	-	-	3.72	-	-	-	-	3.72	-
Acquisition of NCI	-	-	-	-	-	-	-	-	-	-	(0.36)
Share Issue Expense	(0.10)	-	-	-	-	-	-	-	-	(0.10)	-
Other comprehensive income for the year	-	-	-	-	-	-	(0.20)	(0.08)	(0.02)	(0.30)	0.01
Total comprehensive income for the year	**99.92**	**-**	**-**	**0.10**	**3.72**	**0.09**	**(0.20)**	**(0.08)**	**(0.02)**	**103.53**	**(10.16)**
Balance as at 31st March 2019	**314.00**	**8.12**	**52.07**	**0.12**	**3.72**	**0.09**	**(0.68)**	**(0.55)**	**(9.77)**	**367.12**	**13.44**

See accompanying notes to the consolidated financial statement
As per our attached report of even date

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

Vaibhav L Dattani
Partner
Membership No.: 144084

Place: Mumbai
Date: 3rd May 2019

For and on behalf of the Board of Directors

Nirmal Kumar Jain
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DIN: 00019442

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Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Rahul Dubey
Company Secretary

Notes To Consolidated Financial Statements

As At And For The Year Ended 31st March 2019

1. General Information

JSW Cement Limited ("the Parent Company") and its Subsidiaries collectively is referred to as 'the Group'. The Group is primarily engaged in the business of manufacture and sale of cement, ground granulated blast furnace slag and clinker, trading of allied products and logistic services dealing mainly in domestic transportation of goodss.

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 03rd May 2019.

Accordingly, the Company has prepared these Consolidated Balance sheet as at 31 March 2019, 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 31 Mmarch 2019 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements' or ' Financial statements).

II. Basis of preparation and presentation

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

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

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

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

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

The Financial Statement is presented in INR.

Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non current classification

An asset is classified as current when it satisfies any of the following criteria

- It is expected to be realized in or is intended for sale or consumption in, its normal operating cycle;
- it is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria

- It is expected to be settled in the CompanyGroup's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or the CompanyGroup does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

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

III. Basis of consolidation

The Consolidated Financial Statements incorporate the financial statements of the 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 intra Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

IV. Business combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and
- assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

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

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

V. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or Groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

VI. Revenue Recognition

Sale of goods

Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, incentives, volume rebates, outgoing taxes on sales. Any amounts receivable from the customer is recognized as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch/delivery of goods.

On March 28, 2018, Ministry of Corporate Affairs has notified Ind AS 115, "Revenue from Contracts with Customers", effective date of adoption of the Standard is financial period beginning on or after 1stApril, 2018. The core principle of the Standard is that an entity shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, besides reporting useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

The Standard permits entities to apply one of the following transitional methods:

i) Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

ii) Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

Group haves adopted Cumulative catch - up approach and there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results.

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.

As a lessor

Rental income from operating leases is recognized on straight-line basis over the term of the relevant lease.

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).

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

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

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

b. exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (xix) (e);

c. 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.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the groups foreign operations are translated into INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rate fluctuate significantly during the period, in which case the exchange rates at the dates of the transaction are used. Exchange difference arising, if any, are recognised in other comprehensive income and accumulated in equity.

IX. Borrowing Costs

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

All other borrowing costs are recognised in the 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 or when the performance obligation is met.

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

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.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which the benefit of the temporary differences can be utilized and they are expected to reverse in the foreseeable future.

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the 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 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.

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.

Capital Work In Progress

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

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

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

Depreciation

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

Sr. No.	Nature of Assets	Useful life of assets
1	Plant and Machinery	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 amortise over the term of the lease.

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

Sr. No.	Nature of Assets	Useful life of assets
1	Switching substation	35 years
2	Railway Siding	15 years
3	Road	5- 25 years
4	Residential complex	10 years
5	Leasehold improvement	5 years

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

XV. Intangible Assets

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

Useful lives of intangible Assets

Estimated useful lives of the intangible Assets are as follows.

Sr. No.	Nature of Assets	Useful life of assets
1	Software	3 years
2	Mining rights	Period of mining lease

a) Mining rights -Site restoration costs

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to profit or loss over the life of the asset through depreciation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/ or other agreements. The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology.

b) **Stripping Cost**

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

Such costs are presented within mining assets. After initial recognition , stripping assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of limestone is used to depreciate or amortise stripping cost.

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

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

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the 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. 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 Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in 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.

XX. Cash and cash equivalents:

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

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short term deposits, as defined above.

XXI. Earnings Per Share

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

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

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) 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.

iii) 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.

iv) 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

v) 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.

vi) 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.

vii) 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.

viii) **Goodwill**

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

B) Recent Accounting Pronouncements

IND AS 116 - Leases:

On 30th March, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The management is yet to assess the impact of the aforesaid amendments on the Group's financial information.

Amendments to Ind AS 12- Income taxes

On 30th March, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. At present, IND AS 12 is not applicable to CompanyGroup as no Dividend is declared by Group till current year.

Amendment to Ind AS 19 - plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after 1 April 2019.

The management is yet to assess the impact of the aforesaid amendments on the Group's financial information.

Amendment to Ind AS 23 - Borrowing Cost

On 30th March, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 23, 'Borrowing Cost', in connection with capitalization of Borrowing Cost when an entity borrows funds generally and uses them for the purpose of obtaining a qualifying asset.

The amendments require an entity:

- To the extent that an entity borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the entity shall determine the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate shall be the weighted average of the borrowing costs applicable to all borrowings of the entity that are outstanding during the period. However, an entity shall exclude from this calculation borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset until substantially all the activities necessary to prepare that asset for its intended use or sale are complete. The amount of borrowing costs that an entity capitalises during a period shall not exceed the amount of borrowing costs it incurred during that period..

The management is yet to assess the impact of the aforesaid amendments on the Group's financial information.

Amendment to Ind AS 103 - Business Combinations

On 30th March, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 103, 'Business Combinations'.

The amendments require that:

- When a party to a joint arrangement (as defined in Ind AS 111, Joint Arrangements) obtains control of a business that is a joint operation (as defined in Ind AS 111), and had rights to the assets and obligations for the liabilities relating to that joint operation immediately before the acquisition date, the transaction is a business combination achieved in stages. The acquirer shall therefore apply the requirements for a business combination achieved in stages, including re-measuring its previously held interest in the joint operation in the manner described in paragraph 42. In doing so, the acquirer shall re-measure its entire previously held interest in the joint operation.

Aforesaid amendment is not applicable to the CompanyGroup, hence will not have any impact on Financial Statement.

Notes to consolidated Financial Statements as at and/or the year ended 31st March 2019.

Note 4 Property, Plant and Equipment

₹ crores

Description of Assets	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Compu-ters	Office Equip-ment	Vehicle	220 KV Switching station	Residential complex	Leasehold improve ment	External road	Railway siding	Total Property, plant and equipment
I. Cost / Deemed cost													
Balance as at 1st April 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	126.31	0.62	0.25	0.06	0.33	-	-	-	-	-	149.50
Deductions	-	-	-	-	-	(0.01)	(0.32)	-	-	-	-	-	(0.33)
Balance as at 31st March 2018	**36.65**	**491.41**	**1,885.05**	**2.64**	**2.36**	**3.09**	**2.76**	**16.36**	**-**	**-**	**84.06**	**18.26**	**2,542.64**
Additions	2.48	117.64	399.48	2.04	0.74	2.94	13.69	-	13.25	2.96	0.56	0.74	556.52
Deductions	-	(3.30)	(4.82)	-	-	-	(0.53)	-	-	-	-	-	(8.65)
Balance as at 31st March 2019	**39.13**	**605.75**	**2,279.71**	**4.68**	**3.10**	**6.03**	**15.92**	**16.36**	**13.25**	**2.96**	**84.62**	**19.00**	**3,090.51**
II. Accumulated depreciation													
Balance as at 1st April 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	10.88	0.31	0.07	-	0.14	-	-	-	-	-	13.05
Eliminated on disposal of assets	-	-	-	-	-	(0.02)	(0.07)	-	-	-	-	-	(0.09)
Balance as at 31st March 2018	**-**	**11.48**	**118.59**	**0.78**	**0.86**	**0.61**	**0.59**	**1.64**	**-**	**-**	**3.36**	**0.82**	**138.73**
Depreciation expense for the year	-	10.77	94.34	0.42	0.78	0.68	1.38	0.53	0.11	0.05	3.39	1.39	113.82
Eliminated on disposal of assets	-	(0.48)	(1.35)	-	-	-	(0.18)	-	-	-	-	-	(2.01)
Balance as at 31st March, 2019	**-**	**21.77**	**211.57**	**1.21**	**1.63**	**1.30**	**1.77**	**2.17**	**0.11**	**0.05**	**6.75**	**2.21**	**250.53**
Carrying value	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2019	**39.13**	**583.98**	**2,068.14**	**3.47**	**1.47**	**4.74**	**14.15**	**14.20**	**13.14**	**2.91**	**77.88**	**16.79**	**2,839.98**
Balance as at 31st March 2018	36.65	479.93	1,766.46	1.86	1.50	2.48	2.17	14.72	-	-	80.70	17.44	2,403.91
Useful life of the assets (years in range)	NA	65	25-40	5-10	3-6	5-10	8-10	35	10	5	25	15	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	

4.1 Asset include Gross Block of ₹645.27 crores (previous year ₹592.04 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 ₹392.29 crores (previous year ₹165.45 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 ₹12.45 crores on account of finance cost.

4.4 Certain property, plant and equipment are pledged against borrowing, the detail relating to which have been described in note 17.

4.5 Property, plant and equipment include assets with net block of ₹124.91 crores (previous year ₹112.86 crores) for which ownership is not in the name of the group.

4.6 Capital work in progress includes finance cost ₹12.07 crores (As at 31st March 2018: ₹0.33 crores).

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 2017	0.98	-	8.93	9.91
Acquisition through Business Combination	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**
Additions	4.45	-	-	4.45
Deductions	-	-	-	-
Balance as at 31st March 2019	**6.15**	**10.18**	**9.16**	**25.50**
II. Accumulated depreciation				
Balance as at 1st April 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**
Depreciation expense for the year	1.68	0.33	0.21	2.22
Eliminated on disposal of assets	-	-	-	-
Balance as at 31st March 2019	**2.31**	**1.01**	**0.49**	**3.81**
Carrying value	**-**	**-**	**-**	
Balance as at 31st March 2019	**3.83**	**9.17**	**8.67**	**21.68**
Balance as at 31st March 2018	1.06	9.50	8.89	19.45
Useful life of the assets (years in range)	3	25	50	
Method of depreciation / amortization	SLM	SLM	SLM	

1 Group has recognised Mining Rights as required under IND AS 16 Property, Plant & Equipment for decommission liability to be incurred towards mines restoration expenditure, for deriving the cost of the asset Company has discounted the value over the lease period of the mines.

Note 4B Intangible Assets Under Development

₹ crores

Description of Assets	As at 31st March 2019	As at 31st March 2018
Mining development	0.21	0.02
Land & land development	0.06	0.07
Total	**0.27**	**0.09**

5. Investments (Non Current)

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
(A) Investment in Equity Instruments		
Quoted- others (At fair value through OCI)		
JSW Energy Limited	17.31	15.39
23,84,610 (31 March 2018: 2,114,610) of ₹10 each fully paid-up		
JSW Steel Limited		
380,000 (31st March 2018: 380,000) of ₹10 each fully paid-up	11.13	10.95
(B) Investment in Mutual fund		
Quoted - Others		
JM High Liquidity Fund - Growth	0.42	0.39
Investment in government or trust securities		
(Unquoted - valued at amortised cost)		
National Saving Certificate - Pledged with Commercial Taxes		
Department ₹3,000 (31 March 2018: ₹3,000)	-	-
Total	**28.86**	**26.73**
Quoted		
Aggregate book value	28.86	26.73
Aggregate market value	28.86	26.73
Unquoted		
Aggregate carrying value	-	-
Investment at cost	-	-
Investment at fair value thorugh other comprehensive income	28.86	26.73

6. Loans

₹ crores

Particulars	Non-Current		Current	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Unsecured considered good				
Security deposits	-	2.15	2.69	2.13
Loans to:				
- Related parties *	3.75	72.50	275.00	-
- Other body corporates	32.98	25.66	69.69	26.25
- Others	2.00	-	-	-
Advance to employees	-	-	0.27	0.47
Total	**38.73**	**100.31**	**347.65**	**28.85**

* For business purpose refer note 34 (i)

7. Other Financial Assets (Unsecured considered good)

₹ crores

Particulars	Non-Current		Current	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Interest receivable on loan to related party	-	-	26.21	6.92
Interest receivable others	-	-	4.94	4.10
Rent receivable	-	-	8.50	5.00
Claims receivable	-	-	0.36	0.06
Deposit with remaining maturity of more than 12 months	0.10	48.14	0.57	-
Total	**0.10**	**48.14**	**40.58**	**16.08**

8. Deferred Tax (Liabilities) / Asset (Net)

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Deferred tax asset (Refer note 34 I)	24.36	-
Deferred tax (liabilities) (Refer note 34 I)	(125.70)	(59.16)
MAT credit entitlement	121.86	90.00
Total	**(3.83)**	**30.84**

9. Income Tax Assets (Net)

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Advance Tax and Tax Deducted at Source (net)	5.92	6.03
Total	**5.92**	**6.03**

10. Other Assets

₹ crores

Particulars	Non-Current		Current	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Capital advances (Unsecured, considered good)	178.81	83.64	-	-
Other assets (Unsecured, considered good)				
Advance to suppliers	-	-	77.98	68.05
GST receivable	2.43	-	51.75	82.28
Prepaid expenses	16.69	13.00	16.53	9.27
Leasehold land prepayments	14.43	15.05	-	-
Security deposits	46.43	30.25	-	2.09
Government incentive receivable	-	-	84.99	96.91
Other receivables	-	-	11.97	4.73
Total	**258.79**	**141.94**	**243.22**	**263.33**

11. Inventories

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Raw materials (at cost) (includes stock in transit ₹17.02 crores ; previous year ₹26.90 crores)	117.17	68.98
Semi finished goods (at cost)	14.87	28.31
Finished goods (at lower of cost and net realisable value)	41.27	24.82
Stock-in-trade (at lower of cost and net realisable value)	-	3.49
Stores and spares (at cost) (includes in transit ₹ Nil, previous year: Nil)	83.26	79.13
Fuel (at cost) (includes stock in transit ₹ NIL; previous year ₹0.56 crores)	23.14	24.64
Total	**279.71**	**229.37**

Inventories have been pledged as security against certain bank borrowings of the company as at 31st March 2019 (refer note 20)

Cost of inventory recognised as an expense

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Cost of material consumed	671.86	221.44
Changes in inventories of finished goods, semi finished goods and stock in trade	0.22	(2.48)
Stores and spares	28.29	23.60
Fuel	191.94	131.81
Total	**892.31**	**374.37**

12. Trade Receivables

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Trade Receivable considered good, Secured	72.45	50.57
Trade Receivable considered good, Unsecured (refer note 33)	323.12	117.64
Trade receivable which have significant increase in credit risk	0.65	0.75
Trade Receivables-credit impaired	0.34	0.34
Total	**396.56**	**169.30**
Less: Allowance for expected credit loss (refer note 33)	(0.99)	(1.09)
Total	**395.57**	**168.21**

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 2019 (refer note 20)

13. Cash and Cash Equivalent

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Balances with banks in current account	33.68	207.73
Cash on hand	0.08	0.07
Total	**33.76**	**207.80**

14. Bank Balances Other than Cash and Cash Equivalent

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Term deposit with original maturity of more than 3 months but less than 12 months at inception	1.81	86.73
In Margin money *	1.69	-
	3.50	**86.73**

*earmarked with government authorities

15. Equity Share Capital

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Authorised Capital		
1,250,000,000 (31st March 2018: 1,250,000,000) Equity shares of ₹10 each	**1,250.00**	**1,250.00**
25,000,000 (31st March 2018: 25,000,000) Preference shares of ₹100 each	**250.00**	**250.00**
Issued, Subscribed & Fully Paid Up Capital		
986,352,230 (31st March 2018: 986,352,230) Equity shares of ₹10 each fully paid up	986.35	986.35
	986.35	**986.35**

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

Particulars	As at 31st March 2019	As at 31st March 2018
Equity shares at the beginning of the year	98,63,52,230	45,05,11,700
Add: Fresh issue of shares during the year	-	53,58,40,530
Equity shares at the end of the year	**98,63,52,230**	**98,63,52,230**

15.2 Rights, preferences and restrictions attached to equity shares

Equity Shares: The Company has a single class of 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 NIL (Previous year - 53,58,40,530) equity shares of ₹10 each (at par) to Adarsh advisory Service Private Limited as approved by Finance Committee in their meeting held on 7th December 2017.

15.3 Details of aggregate shareholding by holding company

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Adarsh Advisory Services Private Limited - Holding Company		
89,30,67,550 (31 March 2018 89,30,67,550) Equity Shares of ₹10 each	893.07	893.07

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

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number of shares	% of holding	Number of shares	% of holding
Equity shareholding				
Adarsh Advisory Services Private Limited - Holding company	89,30,67,550	90.54	89,30,67,550	90.54

16. Other Equity

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Retained earning	314.09	214.08
Capital reserve	8.12	8.12
Securities premium account	52.07	52.07
Legal reserve	0.12	0.02
Share option outstanding reserve	3.72	-
Other comprehensive income:		
Remeasurements of the net defined benefit Plans	(0.55)	(0.47)
Foreign currency translation reserve	(0.68)	(0.48)
Equity instruments through other comprehensive income	(9.77)	(9.75)
Total	**367.12**	**263.59**

Share option outstanding reserve

The Company offers ESOP, under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of ESOP schemes.

Other comprehensive income:

Securities premium account balance is the extra money received by the company while issuing shares. This money is being utilised as specified in section 78 of the Companies Act 2013.

Capital reserve

Reserve primarily created out of share forfeiture amounting ₹2.14 crores and amalgation reserve amounting ₹5.66 crores as per statutory requirement

Legal reserve

In accordance with UAE Federal Law No. (2) of 2015 and Article 13-A of the Entity's Articles of Association, 10% of the profit of each year is to be appropriated to a statutory reserve. Transfer may be discontinued when the reserve reaches 50% of the paid-up capital. This reserve is not available for distribution except in circumstances stipulated by the law.

Other comprehensive income:

Foreign currency translation reserve

Exchange difference related to the translation of the results and net asset of the groups for an operations from their functional currency to the Group's presentation currency is recognised directly in other comprehensive income and is accoumulated in foreign currency translation reserve (FCTR). Exchange differences previously accumulated in FCTR in respect of translating the net assets of foreign operations are reclassified to profit or loss on the disposal of the foreign operation.

Remeasurements of the net defined benefit Plans

As per IND AS 19 employee benefits gain or loss on account of remeasurement of the defined benefit liabilities/ assets have been realised through other comprehensive income.

17. Non Current Borrowings

₹ crores

Particulars	Non-Current		Current	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Term Loans				
Secured				
From banks	2,128.60	1,763.84	280.23	129.94
Less: Unamortised upfront fees on borrowings	(8.56)	(9.07)	(3.22)	(2.90)
Total	**2,120.04**	**1,754.77**	**277.01**	**127.04**

Details of Terms of Repayment and Security

₹ crores

As on 31st March 2019		As on 31st March 2018		Terms of Repayment*	Security
Non-current	Current	Non-current	Current		
545.17	45.76	590.99	45.76	9 quarterly instalment of ₹11.44 Crores each from 01.07.2019 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 moveable fixed assets of the company
243.22	90.35	333.53	52.76	3 quarterly instalment of ₹21.11 Crores each from 14.04.2019 to 14.10.2019, 10 quarterly instalment of ₹27.02 Crores each from 14.01.2020 to 14.01.2022	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
730.41	59.22	720.19	-	4 quarterly instalment of ₹19.74 Crores each from 30.09.2019 to 30.06.2020, 4 quarterly instalment of ₹21,71 Crores each from 30.09.2020 to 30.06.2021, 4 quarterly instalment of ₹25.66 Crores each from 30.09.2021 to 30.06.2022, 4 quarterly instalment of ₹29.61 Crores each from 30.09.2022 to 30.06.2023, 12 quarterly instalment of ₹33.56 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 moveable fixed assets of the company
201.50	-	-	-	4 quarterly instalment of ₹5.04 Crores each from 20.04.2021 to 20.01.2022, 4 quarterly instalment of ₹5.54 Crores each from 20.04.2022 to 20.01.2023, 4 quarterly instalment of ₹6.55 Crores each from 20.04.2023 to 20.01.2024, 4 quarterly instalment of ₹7.56 Crores each from 20.04.2024 to 20.01.2025, 12 quarterly instalment of ₹8.56 Crores each from 20.04.2025 to 20.01.2028	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
29.00	19.70	19.70	19.70	Annual instalment of ₹19.70 Crores each on 30.10.2019 & ₹ 29.00 Crores on 22.03.2021	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
191.74	47.96	99.43	11.72	20 quarterly instalment of ₹11.99 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 moveable fixed assets of the company
175.75	14.25	-	-	4 quarterly instalment of ₹4.75 Crores each from 30.09.2019 to 30.06.2020, 4 quarterly instalment of ₹5.23 Crores each from 30.09.2020 to 30.06.2021, 4 quarterly instalment of ₹6.18 Crores each from 30.09.2021 to 30.06.2022, 4 quarterly instalment of ₹7.13_ Crores each from 30.09.2022 to 30.06.2023, 12 quarterly instalment of ₹8.07 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 and by way of deed of hypothecation on present and future moveable fixed assets of the company assets of the company
11.81	2.99	-	-	60 Equated monthly Installement (EMI) starting from July 2018 to June 2023. Quarterly principle amount payable is as follows: Qtr June 19: ₹0.72 crore, Qtr Sep 19: ₹0.74 crore, Qtr Dec 19: ₹0.76 crore, Qtr Mar 20: ₹0.77 crore, Qtr June 20: ₹0.78 crore, Qtr Sep 20: ₹81 crore, Qtr Dec 20: ₹0.83 crore, Qtr March 21: ₹0.85 crore, Qtr June 21: ₹0.87 crore, Qtr Sep 21: ₹0.89 crore, Qtr Dec 21: ₹0.91 crore, Qtr March 22: ₹0.93 crore, Qtr June 22: ₹0.95 crore, Qtr Sep 22: ₹0.97 crore, Qtr Dec 22: ₹0.99 crore, Qtr March 23: ₹1.01 crore, Qtr June 23: ₹1.03 crore	Secured by way of deed of hypothecation on Commercial Vehicle of the company.
2,128.60	280.23	1,763.84	129.94	-	

18. Other non-current financial liabilities

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Payable for capital projects	16.41	28.30
Retention payable	0.05	-
Total	**16.46**	**28.30**

19. Non-current provisions

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for employee benefits		
Gratuity (refer note 34 (g))	2.25	2.62
Leave encashment (Refer note 34 (g))	5.64	4.49
Mines Restoration Expenditure	25.92	23.87
Total	**33.81**	**30.98**

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 2019	As at 31st March 2018
Mines Restoration expenditure (to be settled at Mines closure)		
Opening Balance	23.87	22.17
Add: Unwinding of discount on mine restoration expenditure	2.70	2.53
Add: Reversal of provision	(0.65)	(0.83)
Closing Balance	**25.92**	**23.87**

20. Current borrowings (at amortised cost)

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Secured loans		
Loan repayable on demand		
From bank -working capital loan	136.68	4.55
Unsecured loans		
Loan repayable on demand	15.00	300.00
Total	**151.68**	**304.55**

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.

Borrowing have been drawn at following rate of interest

Particulars	Rates of Interest (p.a)
Cash Credit	9.15% to 9.65%
Short Term Loan	9.15% to 9.95%

21. Trade Payable

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Total outstanding dues of Micro enterprise and Small enterprise	4.77	1.57
Total outstanding dues of creditors other than Micro enterprises and small enterprises		
Acceptances	200.61	177.19
Other than acceptances	523.09	327.60
Total	**728.47**	**506.36**

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

Refer note 34 (i) with respect to amount payable to Related Parties.

22. Other current financial liabilities (at amortised cost)

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Current maturities of long-term borrowings (refer note 17)	277.01	127.04
Interest accrued but not due on borrowings	0.16	0.53
Payable for capital projects		
- Acceptances	32.14	68.05
- Other than acceptances	174.02	165.92
Security Deposit from customers	108.31	89.94
Del Credre Finance payable	72.45	50.58
Others	-	1.19
Total	**664.09**	**503.25**

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 2019	As at 31st March 2018
Current dues of long-term employee benefits	1.00	0.67
Advances from customers	11.95	2.73
Statutory liabilities	70.45	39.37
Other Payables	2.75	0.63
Total	**86.15**	**43.40**

24. Revenue from Operations

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Sale of Products		
Finished goods	2,655.21	1,630.57
Traded	8.91	21.53
Other operating revenue		
Government incentive (refer note 2 (x))	37.92	7.77
Scrap sale	20.19	9.63
Revenue from operations	**2,722.23**	**1,669.50**

Refer note 34 (k) for details of contract liability

Reconciliation of Revenue from sale of products with the contracted price

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Contracted Price	2,878.22	1,790.80
Less: Trade Discount, Volume, Rebate etc.	(214.10)	(138.70)
Sale of Products	**2,664.12**	**1,652.10**

25. Other Income

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Interest income earned on financial assets that are not designated as FVTPL		
Interest income from loan to Related party	26.76	2.97
Interest income from Others	8.32	12.14
Dividend income from non-current investments designated as FVTOCI	0.12	0.19
Profit on sale of current investments	1.22	3.47
Write Back of excess provision	6.15	1.35
Miscellaneous income	7.00	4.08
Total	**49.57**	**24.20**

26. Cost of Raw Material Consumed

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Inventory at the beginning of the year	68.98	22.28
Add : Purchases	720.05	268.14
Less: Inventory at the end of the year	(117.17)	(68.98)
Total	**671.86**	**221.44**

27. Purchases Of Stock in trade

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Granulated Blast Furnace Slag	2.13	2.08
Cement	-	0.17
Limestone	-	7.81
Total	**2.13**	**10.06**

28. Changes in Inventories of Finished Goods, Semi Finished Goods and Stock in trade

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Inventories at the beginning of the year		
Finished goods	28.31	22.41
Semi finished goods	28.04	28.45
	56.35	**50.86**
Trial run stock inventories during the year		
Finished goods	-	3.13
Semi finished goods	-	0.28
	-	**3.41**
Inventories at the end of the year		
Finished goods	41.26	28.31
Semi finished goods	14.87	28.04
Total Inventories at the end of the year	**56.13**	**56.35**
	0.22	(2.08)
Excise duty on stock of finished goods (net)	-	(0.40)
Total	**0.22**	**(2.48)**

29. Employee Benefits Expense

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Salaries and wages	134.12	99.82
Employee stock option expense (Refer note 34 (e))	3.72	(7.01)
Contributions to provident fund and other funds (refer note 34 (g))	5.46	4.24
Gratuity expense [Refer note 34 (g))	1.61	0.87
Staff welfare expenses	3.52	2.47
Total	**148.43**	**100.39**

There has been a Supreme Court (SC) judgement dated 28 February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. The Group will continue to assess any further developments in this matter for the implications on fnancial statements, if any.

30. Other Expense

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Consumption of stores and spares	28.29	23.60
Packing Cost	86.27	48.66
Repairs and maintenance expenses:		
-Repairs to buildings	2.04	1.56
-Repairs to machinery	38.26	23.79
-Others	7.03	2.05
Rent	8.06	6.24
Rates and taxes	2.59	3.64
Insurance	3.05	3.06
Legal & professional	13.48	13.38
Advertisement & publicity	41.24	60.01
Commission on sales	35.93	23.37
Rebates & discounts	26.76	19.72
Selling & distribution expenses	9.63	3.66
Branding fees	2.60	1.58
Auditors remuneration (Refer 34 m)	0.33	0.37
Loss on sale of Property, plant & Equipment (net)	1.13	0.39
Postage & telephone	1.16	1.16
Printing & stationery	0.75	0.60
Travelling expenses	30.76	14.89
Corporate social responsibility expense (Refer Note 34p)	4.63	3.01
Software and IT related expenses	3.15	1.89
Net loss on foreign currency translation and transactions	2.56	2.28
General expenses	30.12	13.67
Total	**379.82**	**272.58**

31. Finance Costs

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Interest expenses	220.52	172.49
Unwinding of interest on financial liabilities at amortised cost	8.82	12.73
Unwinding of interest on mines restoration expenditure	2.70	2.53
Other borrowing cost	5.01	7.63
Total	**237.05**	**195.38**

32. Depreciation and Amortization Expense

₹ crores

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Depreciation on Property, plant and equipment	109.16	75.10
Depreciation of Asset constructed on property not owned by company	5.44	4.71
Amortization of Intangible assets	1.53	1.33
Total	**116.13**	**81.14**

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 Group's capital requirement is mainly to fund its capacity expansion and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Group regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the asset and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments.

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Long term borrowings	2,120.04	1,754.77
Current maturities of long term debt	277.01	127.04
Short term borrowings	151.68	304.55
Less: Cash and cash equivalent	(33.76)	(207.80)
Less: Bank balances other than cash and cash equivalents	(3.50)	(86.73)
Less: Current investment	-	-
Net Debt	**2,511.47**	**1,891.83**
Total Equity	**1,353.47**	**1,249.94**
Gearing ratio	**1.86**	**1.51**

(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	As at 31st March 2019		As at 31st March 2018	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	33.76	33.76	207.80	207.80
Bank balances other than cash and cash equivalents	3.50	3.50	86.73	86.73
Trade receivables	395.57	395.57	168.21	168.21
Loans	386.38	386.38	129.16	129.16
Other financial assets	40.68	40.68	64.22	64.22
Total financial assets at amortised cost (A)	**859.89**	**859.89**	**656.12**	**656.12**
Measured at fair value through other comprehensive income				
Non current investments	28.86	28.86	26.73	26.73
Total financial assets at fair value through other comprehensive income (B)	**28.86**	**28.86**	**26.73**	**26.73**
Total Financial assets (A+B)	**888.75**	**888.75**	**682.85**	**682.85**
Financial liabilities				
Measured at amortised cost				
Long term borrowings #	2,397.04	2,397.04	1,881.81	1,881.81
Short term borrowings	151.68	151.68	304.55	304.55
Trade payable	728.47	728.47	506.36	506.36
Other financial liabilities	403.55	403.55	404.50	404.50
Total financial liabilities at amortised cost	**3,680.74**	**3,680.74**	**3,097.22**	**3,097.22**

including current maturities of long term debt

A. Risk Management Framework

The group has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

B. Financial Risk Management

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

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

i. Market risk

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

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

ii. Interest rate risk

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

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

₹ crores

Particular	As at 31st March 2019	As at 31st March 2018
Fixed rate borrowings	14.80	-
Floating rate borrowings	2,382.25	1881.81
Total borrowings	**2,397.05**	**1881.81**
Total net borrowing	2,385.27	1869,84
Add: Upfront fees	11.78	11.97
Total borrowings	**2,397.05**	**1881.81**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended 31st March 2019 would decrease / increase by ₹25.76 crores (for the year ended 31st March 2018: decrease / increase by ₹4.38 crores). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

iii. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Group's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

Trade receivables

Customer credit risk is managed centrally by the Group and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an individual credit limits defined in accordance with the assessment.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. No single customer accounted for 10.0% 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.

As per simplified approach, the Group makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Our historical experience of collecting receivables indicate a low credit risk. Hence, trade receivables are considered to be a single class of financial assets.

As per policy receivables are classified into different buckets based on the overdue period ranging from 6 months – one year to more than one year. There are different provisioning norms for each bucket which are ranging from 2% to 70%.

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

₹ crores

Particular	As at 31st March 2019	As at 31st March 2018
Balance as at the beginning of the year	**0.75**	**0.14**
Change in allowance for trade receivable which have significant increase in credit risk	0.08	0.61
Less : Trade receivable written off during the year	(0.18)	-
Balance as at the end of the year	**0.65**	**0.75**

Cash and cash equivalents :

Credit risks from balances with banks and financial institutions are managed in accordance with the Group policy. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

The Group's maximum exposure to the credit risk for the components of balance sheet as 31st March 2019, is the carrying amounts mentioned in Note no 13.

Loans and investment

The Group's centralised treasury function manages the financial risks relating to the business. The treasury function focusses"on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties"within credit limits assigned for each of the counterparty. The limits are set to minimise the concentration of risks and therefore mitigate the financial loss through counter party's potential failure to make payments.

iv. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Group generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Group has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

Liquidity exposure as at 31st March 2019

₹ crores

Particulars	**Contractual cash flows**			
	< 1 year	**1-5 year**	**> 5 years**	**Total**
Financial Assets				
Cash and cash equivalents	33.76	-	-	33.76
Bank balances other than cash and cash equivalents	3.50	-	-	3.50
Trade receivables	395.57	-	-	395.57
Loans	347.65	38.73	-	386.38
Non current investments	-	-	28.86	28.86
Other financial assets	40.58	0.10	-	40.68
Total Financial assets	**821.06**	**38.83**	**28.86**	**888.75**
Financial liabilities				
Long term borrowings	-	1,364.39	755.65	2,120.04
Short term borrowings	151.68	-	-	151.68
Trade payable	728.47	-	-	728.47
Other financial liabilities	664.09	16.47	-	680.56
Total financial liabilities	**1,544.24**	**1,380.86**	**755.65**	**3,680.75**

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	-	1,180.89	573.88	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**	**1,209.19**	**573.88**	**3,097.22**

Collateral

The Group has pledged part of its trade receivables in order to fulfil certain collateral requirements for the banking facilities extended to the Group. There is obligation to return the securities to the Group once these banking facilities are surrendered.

Level wise disclosure of financial instruments

Particulars	31st March 2019	31st March 2018	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial assets :				
Investment in Equity Shares measured at FVTOCI	28.44	26.34	Level 1	Quoted Bid Prices in an active market.
Mutual Funds	0.42	0.39		
Loans to related parties and intercorporate loans	381.42	124.41	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	2.13	(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.
Borrowings	2,271.72	2,059.32	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.

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

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values 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 2019

₹ **crores**

Particulars	CHF (₣)	USD ($)	EURO (•)	AED (د.إ)	INR (₹)	Total
Financial assets						
Cash and cash equivalents	-	-	-	11.12	22.64	33.76
Bank balances other than cash and cash equivalents	-	-	-	1.69	1.81	3.50
Trade receivables	-	-	-	-	395.57	395.57
Loans	-	-	-	0.04	386.34	386.38
Non current investments	-	-	-	-	28.86	28.86
Other financial assets	-	-	-	-	40.01	40.01
Total Financial assets	**-**	**-**	**-**	**12.85**	**875.23**	**888.08**
Financial liabilities						
Long term borrowings	-	-	-	-	2,120.04	2,120.04
Short term borrowings	-	-	-	-	151.68	151.68
Trade payable	0.02	82.65	0.76	54.61	590.43	728.47
Other financial liabilities	-	-	18.09	49.68	612.79	680.56
Total financial liabilities	**0.02**	**82.65**	**18.85**	**104.29**	**3,474.94**	**3,680.75**

Currency exposure as at 31st March 2018

₹ crores

Particulars	USD ($)	EURO (•)	AED (د.إ)	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**	**2,928.56**	**3,097.22**

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. The Company purchased substantially all of its Clinker from third parties in the open market during the year.

If Clinker import price had been 1 US Dollar higher / lower and all other variables were constant, the company's profit for the year ended 31st March 2019 would decrease / increase by ₹4.27 crores (for the year ended 31st March 2018: decrease / increase by ₹1.19 crores).

34. Other Notes

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

₹ crores

Sr. No.	Particulars	As at 31st March 2019	As at 31st March 2018
i)	Differential Custom duty in respect of Import of Steam Coal	22.50	22.50
ii)	Excise Duty & Service tax credit in respect of capital goods and input services & other excise duty related matters	53.79	44.95
iii)	Cess under the Building and other Constructions Workers Act, 1946	1.05	1.05
iv)	VAT exemption on sales made to SEZ unit & Other VAT/CST related Matter	1.82	1.82
v)	Entry Tax	0.09	0.09
vi)	Income Tax	4.71	4.98
	Total	**83.96**	**75.39**

b) Commitments:

Sr. No.	Particulars	As at 31st March 2019	As at 31st March 2018
i)	Estimated amount of Contract remaining to be executed on capital accounts and not provided for (net of advances)	549.61	257.36

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 2019	As at 31st March 2018
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) Employee Share Based Payments Plans:

The Company has provided share-based payment schemes to its employees.

The shareholders of the Company in their meeting held on March 30, 2016 formulated the JSW Cement Employee Stock Ownership Plan- 2016 ('ESOP Plan') which was amended by the shareholders in their Extra-Ordinary General Meeting held on 21st May 2016 and further amended in Extra-Ordinary General Meeting held on 30th May 2017. All Employees designated as Junior Manager (L08) and above will be considered for Grant under this Scheme. The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. Three grants have been made under ESOP plan 2016 to eligible employees on the rolls of the company as at 1st April 2016, 1st April 2017 and 1st April 2018.

Grant 1 has vesting period of 1 year. Grant 2 and Grant 3, 50%of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the 4th year with vesting condition that employee is in continuous employment till the date of vesting. The exercise price would be determined by the ESOP committee at a certain discount to the fair value on the date of grant.:

The other relevant terms of the grant are as follows:

Particulars	ESOP Plan 2016		
	2016-17	2017-18	2018-19
Date of Grant	1st April, 2016	1st April, 2017	1st April, 2018
Grants Outstanding as on 1st April		4,953,159	8,823,782
Grants given during the year	5,620,950	5,615,072	13,488,024
Grants forfeited (by cash payout) during the year	-	-	-
Grants forfeited during the year	667,791	856,440	1,871,013
Grants exercised during the year	-	888,009	-
Grants outstanding as on 31st March	4,953,159	8,823,782	20,440,793
Vesting period	March 2017	March 2020 and March 2021	March 2021 and March 2022
Method of settlement	Cash	Cash	Cash
Exercise Price (₹ per share)	68.70	68.51	42.77
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are
Weighted average values of the share price	Not applicable	Not Applicable	Not Applicable
Weighted average Exercise Price	68.70	68.60	53.5
Expected Volatility	37.28% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry	31.83% to 32.5% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry	28.79% to 30.82% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry
Expected Option life	3.5 years The expected option life is assumed to be midway between the option vesting and expiry	4 to 4.5 Years The expected option life is assumed to be midway between the option vesting and expiry	3.5 to 4.5 Years The expected option life is assumed to be midway between the option vesting and expiry
Risk-Free Interest rate	7.32% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.	6.62% to 6.7% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.	7.04% to 7.21% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.
The method used and the assumptions made to incorporate the effects of early exercise	Black Scholes Value	Black Scholes Value	Black Scholes Value
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life
Whether and how any other features of the option grant were incorporated into the measurement of the fair value, such as market condition			

Expenses arising from Employees' Share based payment plans debited to Profit & Loss Account ₹3.72 crores (Previous Year Nil*)

*Due to change in fair value of Grants, amount of ₹7.01 crores is reversed in previous 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 2019	6	Buy	11.95	83.19
31st March 2018	3	Buy	4.15	27.15

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 2019	2.33	63.64	460.02
	As at 31st March 2018	6.24	2.66	67.60
b)	Import of Raw Material & Fuel			
	As at 31st March 2019	-	-	-
	As at 31st March 2018	-	2.10	13.65
c)	Supplier's/ Buyers' Credit			
	As at 31st March 2019	-	-	-
	As at 31st March 2018	-	10.07	65.49
d)	Interest Accrued but not due on Suppliers'/ Buyers' Credit			
	As at 31st March 2019	-	0.02	0.16
	As at 31st March 2018	0.01	0.04	0.28

iii) The foreign currency exposures that have been hedged by derivative instruments or otherwise as at Balance Sheet date are:

Sr. No.	Particulars	USD equivalent (million)	₹ crores equivalent
a)	Import of Raw Material & Fuel		
	As at 31st March 2019	8.70	60.18
	As at 31st March 2018	-	-
b)	Suppliers'/ Buyers' Credit		
	As at 31st March 2019	3.25	22.47
	As at 31st March 2018	4.15	27.15
c)	Interest Accrued but not due on Suppliers'/ Buyers' Credit		
	As at 31st March 2019	-	-
	As at 31st March 2018	0.01	-

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 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, demographic risk and salary risk.

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest Rate Risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
Demographic Risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Salary Escalation Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31st March 2019 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 2019 Funded	As at 31st March 2018 Funded
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	5.71	4.32
Acquisition adjustment	-	-
Service Cost	1.34	1.14
Interest Cost	0.45	0.32
Actuarial (gain)/loss on obligation	0.16	0.36
Benefits paid	(0.38)	(0.42)
Closing Balance	**7.28**	**5.72**
b. Fair Value of Plan assets:		
Opening Balance of Fair Value of Plan Assets	4.14	3.12
Expected Return on Plan assets less loss on investments	0.32	0.23
Actuarial gain / (loss) on Plan Assets	0.05	0.01
Employers' Contribution	2.08	1.20
Benefits paid	(0.38)	(0.42)
Closing Balance	**6.21**	**4.14**
c. Net Asset/(Liability) recognized in the Balance Sheet:		
Present Value of obligations	(7.28)	(5.72)
Fair Value of plan asset	6.21	4.14
Net Asset/(Liability) recognized in the Balance Sheet (Refer Note 19)	**(1.07)**	**(1.58)**
d. Expenses during the Year:		
Service cost	1.34	1.14
Interest cost	0.45	0.32
Expected Return on Plan assets	(0.32)	(0.23)
Component of defined benefit cost recognized in the statement of Profit & Loss	**1.47**	**1.23**
Component of defined benefit cost recognized in Other comprehensive income	**0.10**	**0.35**
Total	**1.57**	**1.55**
e. Break up of Plan Assets as a percentage of total plan assets:		
Insurer Managed Funds - Value (100%)	6.21	4.14
f. Principal actuarial assumptions:		
Rate of Discounting	7.7% p.a.	7.8% p.a.
Rate of increase in salaries	6.0% p.a.	6.0% p.a.
Attrition Rate	2.0% p.a.	2.0% p.a.
g. Breakup of Plan Assets:		
HDFC Group Unit Linked Plan - Option B	1.13	0.79
HDFC Life Stable Management Fund	1.09	0.74
HDFC Life Defensive Managed Fund	0.58	0.54
Canara HSBC OBC Life Group Traditional Plan	3.40	2.07
Bank Balance	0.01	-
Total	**6.21**	**4.14**

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 ₹2.08 crores (Previous Year ₹1.2 crores).

iv) Experience Adjustments

₹ crores

Particulars	As at 31st March 2019	As at 31st 31st March 2018	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015
Defined Benefit Obligation	7.28	5.72	4.32	3.49	1.72
Plan Assets	6.21	4.14	3.12	1.86	1.14
Deficit	(1.07)	(1.58)	(1.2)	(1.63)	(0.58)
Experience Adjustments on Plan Liabilities-Loss/(Gain)	0.08	0.61	0.15	0.09	0.15
Experience Adjustments on Plan Assets-Loss/(Gain)	(0.05)	(0.01)	(0.10)	0.03	0.01

a) The Company expects to contribute ₹2.58 crores to its gratuity plan for the next year.

b) In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC Ultimate Tables 2006-08.

c) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

d) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

e) Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of obligation after considering several applicable factors such as composition of plan assets, investment strategy, market scenario etc.

v) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

₹ crores

Particulars	As at 31st March 2019		As at 31st March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(6.57)	8.11	(5.16)	6.37
Future salary growth (1% movement)	8.12	(6.56)	6.38	(5.14)
Attrition rate (1% movement)	7.35	(7.20)	5.77	(5.64)
Mortality rate (1% movement)	7.29	(7.28)	5.72	(5.71)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same as that applied in calculating the defined benefit obligation recognised in Balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Maturity Profile of Defined Benefit Obligation

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Weighted average duration (based on discounted cash-flows)	11 Years	11 years
1 Year	0.62	0.35
2 to 5 Year	1.75	1.66
6 to 10 Year	3.22	2.54
More than 10 Years	14.52	11.58

i) Defined Benefit Plans - Gratuity: Non-Funded

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	1.19	1.38
Acquisition adjustment	-	-
Service Cost	0.08	0.08
Interest Cost	0.09	0.10
Actuarial (gain)/loss on obligation	(0.01)	(0.01)
Benefits paid	(0.11)	(0.36)
Closing Balance	**1.27**	**1.19**
b. Net Asset/(Liability) recognised in the Balance Sheet:		
Present Value of obligations	(1.27)	(1.19)
Fair Value of plan asset	-	-
Net Asset/(Liability) recognised in the Balance Sheet	**(1.27)**	**(1.19)**
c. Expenses during the Year:		
Service cost	0.08	0.08
Interest cost	0.09	0.10
Expected Return on Plan assets	-	-
Component of defined benefit cost recognized in the statement of Profit & Loss	0.17	0.18
Component of defined benefit cost recognized in Other comprehensive income	(0.01)	(0.01)
Total	**0.19**	**0.17**
d. Principal actuarial assumptions:		
Rate of Discounting	7.50%p.a.	7.75%p.a.
Rate of increase in salaries	6.0% p.a.	6.0% p.a.
Attrition Rate	2.0% p.a.	2.0% p.a.

In assessing the 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.

ii) Experience adjustments

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015
Defined Benefit Obligation	1.27	1.19	-	-	-
Deficit	(1.27)	(1.19)	-	-	-
Experience Adjustments on Plan Liabilities-Loss/(Gain)	-	0.09	-	-	-
Experience Adjustments on Plan Assets-Loss/(Gain)	-	-	-	-	-

iii) 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 2019		As at 31st March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.20)	1.34	(1.13)	1.26
Future salary growth (1% movement)	1.35	(1.20)	1.26	(1.13)
Attrition rate (1% movement)	1.28	(1.26)	1.20	(1.18)
Mortality rate (1% movement)	1.27	1.27	1.19	1.19

iv) Maturity profile of defined benefit obligation

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

₹ crores

Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31st March 2019	0.16	0.85	1.19	2.20
As at 31st March 2018	0.13	0.75	1.21	2.09

v) Employee End of Service Benefit

₹ crores

Employee end of Service Benefit	As on 31st March 2019	As on 31st March 2018
Balance at the Beginning of the Year	-	-
Add- Charge of the period	0.08	-
Less- Paid during the period	-	-
Balance end of the period as on 31st March, 2019	**0.08**	**NIL**

Amount As required to cover end of service benefits at the statement of financial position date are computed pursuant to the applicable Labour Law based on the employees' accumulated period of service and current basic remuneration at the end of reporting period.

vii) Provident Fund

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. 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 ₹3.72 crores (Previous Year ₹2.81 crores)

Company's contribution to ESIC recognized in statement of Profit and Loss ₹0.11 crores (Previous Year ₹\0.10 crores).

viii) Compensated Absences

Assumptions used in accounting for compensated absences

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Present value of obligation	6.48	4.98
Expense recognized in Statement of Profit or loss	2.29	1.69
Discount rate (p.a.)	7.50-7.7%	7.80%
Salary escalation (p.a.)	6.00%	6.00%

h) Segment reporting:

The Company is primarily in the business of manufacturing and sale of cement and cement related product. As per IND AS 108 "Operating Segments" specified under Section 133 of the Companies Act 2013, there are no other reportable business applicable to the company.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below.

a) Revenue from operations

₹ crores

Particulars	For Year ended 31st March 2019	For Year ended 31st March 2018
Within India	2,663.02	1,669.50
Outside India	59.21	-
Total	**2,722.23**	**1,669.50**

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

b) Non-current operating assets

₹ crores

Particulars	As at 31st March 2019			As at 31st March 2018		
ASSETS	Within India	Outside India	Total	Within India	Outside India	Total
Non-current assets						
(a)Property, plant and equipment	2,839.33	0.65	2,839.98	2,403.91	-	2,403.91
(b)Capital work-in-progress	301.76	89.72	391.48	437.54	15.79	453.33
(c)Other intangible assets	21.68	-	21.68	19.45	-	19.45
(d)Intangible assets under development	0.27	-	0.27	0.09	-	0.09
(e)Goodwill	217.30	-	217.30	214.01	-	214.01
(f)Financial assets	-	-	-	-	-	-
(i)Investments	28.86	-	28.86	26.73	-	26.73
(ii)Loans	38.73	-	38.73	100.31	-	100.31
(iii)Other financial assets	0.10	-	0.10	48.14	-	48.14
(g)Deferred tax assets(net)	24.36	-	24.36	30.84	-	30.84
(h)Income tax assets(net)	5.92	-	5.92	6.03	-	6.03
(i)Other non-current assets	151.60	107.19	258.79	141.94	-	141.94
Total non-current assets	**3,629.91**	**197.56**	**3,629.91**	**3,428.99**	**15.79**	**3,444.78**

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.	**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 Green Energy Limited (Formerly known as 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 JSW Foundation JSW Realty and Infrastructure Private Limited JSW Projects Limited JSW Sever field Structures Limited Art India Publishing Company Private Limited Tranquil Homes & Holdings Private Limited JSW Jaigarh Port Limited JSW Paints Private Limited JSW Structural Metal Decking Sajjan Jindal Trust Unicon Merchants Pvt Ltd
3	**Key Managerial Personnel** Mr. Parth Sajjan Jindal (Managing Director) Mr. Nilesh Narwekar (Whole Time Director & CEO) Mr. Narinder Singh Kahlon (Director Finance & Chief Financial Officer)

Mr. Rahul Dubey (Company Secretary)
Mr. Manoj Kumar Rustagi (Whole Time Director)
Mr. Girish Menon (Chief Financial Officer)
Ms. Sneha Bindra (Company Secretary)

B) Nature of transactions

₹ crores

Transactions during the Year	For the year ended 31st March 2019	For the year ended 31st March 2018
Purchase of Goods/ Power & Fuel/ Services:		
JSW IP Holdings Private Limited	2.94	2.14
JSW Steel Limited	84.29	105.70
JSW Energy Limited	79.87	59.96
JSW Steel Coated Products Limited	1.22	5.57
JSW Structural Metal Decking	-	0.13
South - West Mining Limited	-	10.38
JSW International Tradecorp PTE Limited	41.53	6.62
JSW Dharamtar Port Private Limited	7.92	4.19
Amba River Coke Limited	8.13	0.25
JSW Power Trading Co. Limited	17.29	24.10
JSW Global Business Solutions Limited	7.02	6.46
Art India Publishing Company Private Limited	0.05	0.08
Total	**250.26**	**226.00**
Lease rent paid:		
JSW Steel Limited	2.95	2.94
JSW Bengal Steel Limited	1.49	1.25
Descon Limited	0.88	0.40
JSW Realty and Infrastructure Private Limited	0.27	-
Tranquil Homes & Holdings Private Limited	0.49	0.42
Total	**6.08**	**4.59**
Lease Rent Received:		
JSW Steel Limited	5.81	3.00
Total	**5.81**	**3.00**
Donation		
JSW Foundation	0.15	-
Total	**0.15**	**-**
Purchase of Assets:		
JSW Steel Limited	12.39	-
Total	**12.39**	**-**

₹ crores

Transactions during the Year	For the year ended 31st March 2019	For the year ended 31st March 2018
Reimbursement of expenses:		
JSW Steel Limited	9.31	6.41
JSW Bengal Steel Limited	0.83	1.55
JSW Realty and Infrastructure Private Limited	0.03	-
JSW Energy Limited	0.63	-
JSW Foundation	0.30	-
Descon Limited	0.02	-
Total	**11.12**	**7.96**
Sales of Goods / Other Income:		
JSW Steel Limited	186.08	69.06
JSW Steel Coated Products Limited	25.70	8.43
JSW Energy Limited	1.98	0.94
Amba River Coke Limited	0.38	0.04
Dolvi Coke Project Limited	14.50	12.42
JSW Dharamtar Port Private Limited	0.03	0.85
JSW Techno Projects Management Limited	1.13	1.25
JSW Steel (Salav) Limited	0.07	0.21
JSW Jaigarh Port Limited	0.31	2.79
JSW Paints Private Limited	4.95	3.01
JSW Severfield Structures Ltd.	0.30	-
JSW Projects limited	0.08	-
JSW Foundation	0.01	-
JSW Realty & Infrastructure Pvt Ltd	1.68	-
Gopal Traders Private Limited	0.02	-
Total	**237.22**	**99.00**
Interest income on Loan/Deposit given to		
JSW Techno Projects Management Limited	-	0.59
JSW Global Business Solutions Limited	0.41	0.42
JSW Sports Limited	23.75	0.43
Reynolds Traders Private Limited	0.31	-
Sajjan Jindal Trust	0.02	-
Total	**24.49**	**1.44**
Subscription to Equity Share Capital by:		
Adarsh Advisory Service Private Limited	-	535.84
Total	**-**	**535.84**

₹ crores

Transactions during the Year	For the year ended 31st March 2019	For the year ended 31st March 2018
Recovery of expenses:		
JSW Energy Limited	0.83	0.46
JSW Bengal Steel Ltd	0.17	-
Total	**1.00**	**0.46**
Deposit given		
JSW Steel Limited	10.32	-
JSW Realty and Infrastructure Private Limited	0.90	-
Total	**11.22**	**-**
Loan given		
JSW Global Business Solutions Limited	-	0.76
JSW Sports Limited	206.25	68.75
Sajjan Jindal Trust	9.00	-
Total	**215.25**	**69.51**
Loan Given- Received Back		
JSW Global Business Solutions Limited	-	0.55
JSW Techno Projects Management Limited	-	20.00
Reynolds Traders Private Limited	2.89	-
Sajjan Jindal Trust	9.00	-
Total	**11.89**	**20.55**
Loan Repayment		
Unicon Merchants Pvt Ltd	-	10.27
Total	**-**	**10.27**
Interest paid on Loan		
Unicon Merchants Pvt Ltd	-	0.21
Total	**-**	**0.21**

Compensation to Key Management Personnel

₹ crores

Nature of transaction	FY 2018-19	FY 2017-18
Short-term employee benefits**	7.14	6.65
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	**7.14**	**6.65**

1. **Amount includes ESOP from JSW Infrastructure Limited amounting to NIL (Previous Year ₹0.76 crores)
2. The Company has accrued ₹0.46 crores in respect of employee stock options granted to key managerial personnel. The same has not been considered as managerial remuneration of the Current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.
3. 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 2019, 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:

Loans to other related parties-

a) The Company had given loans to other related parties for general corporate purposes. The loan balances as at 31st March 2019 was Amounting ₹278.75 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 crore.

For Dolvi Plant- Lease rent paid to JSW Steel Limited, Dolvi Works towards construction, for 20.55 acres of land situated at Dolvi, District Raigad, Maharashtra at an annual rent of ₹2.10 crores.

c) **Lease rent received from related party:**

The Company had entered into lease arrangement for renting machinery with JSW Steel amounting to ₹5.81 crores (previous year: ₹3.0 crores) for a period of one year.

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Trade Payables:		
JSW Steel Limited	13.18	10.02
JSW Energy Limited	35.36	3.39
JSoft Solutions Limited	0.66	0.66
South - West Mining Limited	0.00	1.59
Amba River Coke Limited	1.37	-
JSW Power Trading Co. Limited	-	0.19
JSW Bengal Steel Limited	-	1.08
JSW Global Business Solutions Limited	1.68	0.68
JSW IP Holding Private Limited	1.11	-
JSW Dharamtar Port Private Limited	1.98	-
JSW Realty and Infrastructure Private Limited	0.59	-
Tranquil Homes & Holding Private Limited	0.11	0.04
Total	**56.04**	**17.65**
Deposit Given		
JSW Bengal Steel Limited	2.50	2.50
JSW IP Holdings Private Limited	0.10	0.10
JSW Steel Limited	10.32	-
JSW Realty and Infrastructure Private Limited	0.90	-
Total	**13.82**	**2.60**
Advances Given		
JSW Steel Coated Products Limited	0.05	-
JSW Power Trading Company Limited	1.87	2.19
Amba River Coke Limited	-	0.20
JSW Bengal Steel Limited	0.20	0.90
JSW Dharamtar Port Private Limited	-	0.56
JSW International Tradecorp PTE Limited	-	-
Descon Limited	0.14	0.10
Total	**2.26**	**3.95**
Trade Receivables:		
JSW Steel Limited	81.25	13.01
JSW Steel Coated Products Limited	1.71	2.07
JSW Energy Limited	-	0.12
JSW Jaigarh Port Limited	0.34	0.02
Dolvi Coke Project Limited	4.08	4.59
JSW Techno Projects Management Limited	0.58	0.85

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
JSW Dharamtar Port Private Limited	0.30	1.08
JSW Paints Private Limited	0.59	0.57
Amba River Coke Limited	0.29	-
JSW Steel (Salav) Limited	0.01	-
JSW Foundation	0.01	-
JSW Realty and Infrastructure Private Limited	1.04	-
JSW Severfield Structures Limited	0.26	-
Gopal traders private limited	0.01	-
JSW Projects limited	0.08	-
Total	**90.55**	**22.31**
Creditors for Capital Expenditure		
JSW Steel Limited	-	25.20
Total	**-**	**25.20**
Investments held by the Company		
JSW Energy Limited	17.31	15.39
JSW Steel Limited	11.13	10.95
Total	**28.44**	**26.34**
Other Receivables		
JSW Steel Limited	5.81	3.00
Total	**5.81**	**3.00**
Loan given		
JSW Global Business Solutions Limited	3.75	3.75
JSW Sports Limited	275.00	68.75
Total	**278.75**	**72.50**
Interest receivable on Loan given		
Sajjan Jindal Trust	0.02	-
JSW Global Business Solutions Limited	0.47	0.11
JSW Sports Limited	21.72	0.43
Total	**22.21**	**0.54**

j) **Operating Lease:**

Lease rentals charged to Statement of profit and loss for tight to use following assistance

₹ crores

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Office premises, residential flats etc.	8.06	5.97
Total	**8.06**	**5.97**

General Description of leasing agreements:

- Leased Assets: Godowns, Offices, Flats and Others.
- Future Lease rentals are determined on the basis of agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms

k) **Revenue recognised from Contract liability (Advances from Customers):**

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Closing Balance of Contract Liability	11.95	2.73

The contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended 31st March, 2019

l) **Income tax expense:**

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on 31st March. For each fiscal year, the company's profit or loss is subject to the higher of the regular income tax payable or the minimum alternative tax ("MAT")

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for investment allowance, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 30% plus a surcharge and education cess. MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2018-19 is 21.55%. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

In current financial year, Education Cess has been increased from 3% to 4% thereby increasing the corporate tax rate from 36.61% to 34.94%

₹ crores

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Current tax:		
Current Tax	36.96	22.56
Reversal pertaining to earlier year	-	0.50
Deferred tax:		
Deferred Tax (Asset) / Liability	46.61	6.69
Minimum Alternate Tax Credit Entitlement	(36.96)	(23.06)
Total deferred tax	**(9.65)**	**(16.37)**
Total tax expense	**46.61**	**6.69**

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ crores

Particular	For the Year	
	31st March 2019	31st March 2018
Profit Before Tax	**136.92**	**164.45**
Enacted Tax rate in India	34.94%	34.608%
Expected income tax expense at statutory tax rate	**47.84**	**56.91**
Tax effect of:		
Income exempt from taxation	(51.43)	(51.55)
Expense not deductible in determining taxable profit	3.59	7.23
Allowance for goodwill on consolidation	-	(34.05)
Tax provision/(reversal) of earlier year	-	0.50
others	-	(2.97)
Total Tax effect	**(47.84)**	**(80.84)**
Deferred tax on account of :		
Property, Plant & Equipment & Other Intangible Asset.	33.88	23.26
Unabsorbed losses	8.45	8.39
Financial Assets, Liabilities and Other Item	4.28	(1.03)
Deferred Tax	**46.61**	**30.62**
Tax Expense recognised in Statement of Profit and Loss	**46.61**	**6.69**
Effective Tax Rate	**34.04%**	**4.07%**

Deferred tax assets / liabilities

Significant component of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Deferred Tax (Liability)/ Asset (Net)	(101.33)	(59.16)
MAT Credit entitlement	121.86	90.00
Balance at the end of the year	**20.52**	**30.84**

Deferred Tax comprises of timing differences on account of:

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Deferred Tax Liabilities		
Depreciation	(435.71)	(329.79)
Amortised cost of Borrowing & payable for capital project	(5.23)	(1.14)
Total	**(440.95)**	**(330.93)**
Deferred Tax Assets		
Expense allowable on payment basis	13.25	8.70
Provision for doubtful debts	0.18	0.16
Unabsorbed depreciation and business loss	326.28	262.76
Others	(0.09)	0.15
Total	**339.62**	**271.77**
Deferred Tax Asset/ (Liability) (net)	**(101.33)**	**(59.16)**

Movement in MAT Credit entitlement

Particulars	As at 31st March 2019	As at 31st March 2018
Balance at the beginning of the year	90.00	67.00
Add: MAT credit entitlement availed during the year	36.96	22.50
Add: MAT credit pertains to earlier year	0.81	0.50
Balance at the end of the year	**121.86**	**90.00**

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.

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

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

m) Remuneration to Auditors

₹ crores

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Audit Fees		
- Statutory Audit	0.30	0.28
- Tax Audit	-	0.07
- Certification & Out of pocket expenses	0.03	0.02
Total	**0.33**	**0.37**

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 the Company

₹ crores

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Profit attributable to equity holders of the Company:	90.31	149.83
Profit attributable to equity holders of the Company adjusted for the effect of dilution	90.31	149.83

ii. Weighted average number of ordinary shares

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Issued ordinary shares at 1st April	98,63,52,230	45,05,11,700
Effect of shares issued for cash	-	16,88,26,468
Weighted average number of shares at 31st March for basic EPS	**98,63,52,230**	**61,93,38,168**

iii. Effect of Dilution

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Share Application Money	-	-
Convertible preference shares	-	-
Weighted average number of shares at 31st March	**98,63,52,230**	**61,93,38,168**

iv. Basic and Diluted earnings per share

Amount in ₹

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Basic earnings per share	0.92	2.42
Diluted earnings per share	0.92	2.42

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

₹ crores

Particulars	Party	2018-19		2017-18	
		Max amount O/s during the year	Closing Balance	Max amount O/s during the year	Closing Balance
Loan	JSW Global Business Solutions Private Limited	3.75	3.75	4.3	3.75
	Reynolds Traders private limited	2.89	-	2.89	2.89
	Monnet Ispat & Energy limited	26.25	25.11	26.25	26.25
	Jindal Steel and Power Limited	22.77	21.57	22.77	22.77
	Jasani Realty Private limited	55.97	55.97	-	-
	JSW Sports	275.00	275.00	68.75	68.75
Total		**386.63**	**381.4**	**124.96**	**124.41**
Investments	JSW Energy Limited	-	17.31	-	15.39
	JSW Steel Limited	-	11.13		10.95
Total		**-**	**28.44**	**-**	**26.34**

Details of investment made by the Company are given under note 5.

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

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Amount required to be spent as per Section 135 of the Act	2.36	2.35
Amount spend during the year on:	-	-
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	4.63	3.01
Total	**4.63**	**3.01**

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

₹ crores

Sr. No.	Particulars	As on 31st March 2019	As on 31st March 2018
1	Principal amount due outstanding as at 31st March	4.77	1.57
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	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid as at 31st March	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

r) 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.

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

₹ crores

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=E-D)	**98.40**

Goodwill recognised with respect to investment in Subsidiary

₹ crores

Particulars	As on 31st March 2019	As on 31st March 2018
Acquisition date fair value of net assets (A)	35.35	35.08
Fair value of consideration (previously held stake and balance stake acquired) (B)	252.65	249.09
Goodwill on acquisition recognised as asset (B-A)	**217.30**	**214.01**

Allocation of goodwill to cash generating units: Limestone mines

At present, Shiva Cement plant is operating at a very low capacity due to lack of demand for cement from its unit at Rourkela. To overcome this group is carrying out major advertising and re-branding exercise which should increase sales & improve profitability.

Strategically Shiva Cement was acquired for its limestone mine in ore rich belt at Khatkurbal, Rajgangpur, Odisha. The group intends to ramp up the clinkerisation facility at Rourkela plant and supply clinker to its grinding unit at Salboni, West Bengal & upcoming facility at Jajpur, Orissa. This will reduce the group dependency on imported clinker and reduce its exposure to adverse movement of international clinker prices & currency rates. This strategy should drastically improve the profitability of the East Zone operations.

s) Subsidiaries

Details of the group's subsidiaries at the end of the reporting period are as follows:

Name of the subsidiaries	Place of incorporation	Proportion of ownership interest and voting power held by the group		Principal activity
		As at 31st March 2019	As at 31st March 2018	
Shiva Cement limited	India	54.44%	53.52%	Manufacturing
JSW Cement FZE	UAE	100%	100%	Manufacturing
Utkarsh Transport Private limited	India	100%	-	Transport service

t) Non-controlling interest

Financial information of Shiva Cement Limited

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Non-current assets	184.66	182.95
Current assets	17.02	21.41
Non-current liabilities	32.66	128.49
Current liabilities	139.50	25.09
Equity attributable to owners of the company	27.64	27.18
Non-controlling interest	13.44	23.60

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Revenue	29.72	26.32
Expenses	58.78	56.10
Exceptional item	-	10.11
Loss for the year	(21.26)	(31.09)
Loss attributable to owners of the company	(11.57)	(16.64)
Loss attributable to the non-controlling interests	(9.69)	(14.45)
Loss for the year	(21.26)	(31.09)
Other Comprehensive income attributable to owners of the company	(0.01)	(0.00)
Other Comprehensive income attributable to the non-controlling interests	(0.01)	(0.00)
Other Comprehensive income/(loss) for the year	**(0.01)**	**(0.01)**
Total Comprehensive income attributable to owners of the company	(11.58)	(16.64)
Total Comprehensive income attributable to the non-controlling interests	(9.67)	(14.45)
Total Comprehensive income for the year	**(21.27)**	**(31.09)**

₹ crores

Particulars	As at 31st March 2019	As at 31st March 2018
Net cash inflow (outflow) from operating activities	(4.84)	(59.31)
Net cash inflow (outflow) from investing activities	(2.84)	(11.01)
Net cash inflow (outflow) from financing activities	7.67	70.36
Net cash inflow (outflow)	(0.01)	0.04

u) During the year, one of the subsidiaries has incurred losses, consequently eroding the networth. Based on management future plans of exploring various avenues of enhancing revenues which are expected to improve the performance of the company, the financial statements continue to be prepared on a going concern basis for that respective subsidiary company.

v) 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 Consoli-dated net Asset	Amount	As % of Consoli-dated profit/(Loss)	Amount	As % of Consoli-dated Other Compre-hensive Income	Amount	As % of Consoli-dated Total Compre-hensive Income	Amount
Parent								
JSW Cement Limited	96.09	1313.46	113.18	102.21	471.36	(1.36)	112.03	100.85
Indian Subsidiary								
Shiva Cement Limited	1.18	16.07	(12.82)	(11.57)	2.80	(0.01)	(12.87)	(11.58)
Utkarsh Transport Private Limited	(0.04)	(0.55)	(1.62)	(1.46)			(1.62)	(1.46)
Foreign Subsidiary								
JSW Cement FZE	1.79	24.49	1.26	1.13	(374.16)	1.08	2.46	2.21
Non Controlling Interest in Subsidiary	0.98	13.44	0.00	-	0.00	-	-	-
	100	**1,366.91**	**100**	**90.31**	**100**	**(0.29)**	**100**	**90.02**

w) 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 and on behalf of the Board of Directors

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

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Vaibhav L Dattani
Partner
Membership No.: 144084

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109

Narinder Singh Kahlon
Director Finance & CFO
DIN: 03578016

Place: Mumbai
Date : 3rd May 2019

Rahul Dubey
Company Secretary

Financial Highlights - Standalone

	2014-15 (IGAAP)	2015-16 (IGAAP)	2016-17 (IGAAP)	2017-18 (IND AS)	2018-19 (IND AS)
Revenue Accounts (₹ crores)					
Gross Turnover	1,056.2	1,435.4	1,586.1	1646.3	2647.3
Net Turnover	921.9	1,272.0	1,414.8	1595.7	2647.3
Operating EBIDTA	161.6	291.4	306.5	337.0	450.9
Tota Income	927.0	1,289.8	1,506.4	1628.8	2712.9
Other Income	5.1	17.8	91.6	33.1	65.6
Depreciation & Amortisation	45.4	56.9	53.6	73.2	107.3
Finance Costs	144.8	132.6	134.1	190.7	235.7
Profit Before Taxes	(23.5)	119.7	210.4	106.2	173.5
Provision for Taxation	-	30.4	96.3	15.5	55.1
Profit After Taxes	(23.5)	89.3	114.1	90.7	118.5
EBIT	121.28	252.22	344.54	296.9	409.2
COGS	760.28	980.66	1,108.31	1258.7	2196.4
Total EBIDTA	166.70	309.15	398.12	370.1	516.5
Capital Accounts (₹ crores)					
Gross Fixed Assets	1,523.4	1,552.6	1,815.6	2,655.7	3,190.3
Net Fixed Assets	1,325.3	1,298.1	1,509.6	2,276.8	2,706.1
Debt *	1,066.1	1,051.8	1,781.2	2,186.4	2,533.9
Net Debt	1,027.0	1,033.8	1,659.9	1,894.8	2,510.7
Shareholders' Funds	314.1	422.3	550.6	1,171.7	1,293.8
Ratios					
Book Value per Share(₹)	7.28	9.37	12.22	11.88	13.08
Earning per Share [Basic & Diluted (₹)]	(0.69)	1.99	2.53	1.46	1.20
Fixed Asset Turnover Ratio	0.70	0.98	0.94	0.70	0.98
Operating EBIDTA Margin	17.5%	22.9%	21.7%	21.1%	17.0%
Interest Service Coverage Ratio	0.84	1.90	2.57	1.56	1.74
Net Debt to Equity Ratio	3.27	2.45	3.01	1.62	1.94
Net debt to operating EBIDTA	6.35	3.55	5.42	5.62	5.57

* Excluding Acceptances

Financial Highlights - Consolidated

	2014-15 (IGAAP)	2015-16 (IGAAP)	2016-17 (IGAAP)	2017-18 (IND AS)	2018-19 (IND AS)
Revenue Accounts (₹ crores)					
Gross Turnover	1,056.2	1,435.4	1,586.1	1669.5	2722.2
Net Turnover	921.9	1,272.0	1,414.8	1618.1	2722.2
Operating EBIDTA	161.6	291.4	306.46	328.5	440.5
Tota Income	927.0	1,289.8	1,506.4	1740.7	2771.8
Other Income	5.1	17.8	91.6	122.6	49.6
Depreciation & Amortisation	45.4	56.9	53.6	81.1	116.1
Finance Costs	144.8	132.6	134.1	195.4	237.0
Exceptional Item	-	-	-	10.1	0.0
Profit Before Taxes	(23.5)	119.7	210.4	164.5	136.9
Provision for Taxation	-	30.4	96.3	6.7	46.6
Profit for the year	(23.5)	89.3	110.5	157.8	90.3
C O G S	760.28	980.66	1,108.33	1289.6	2281.7
Total EBIDTA	166.70	309.15	398.08	451.1	490.1
Capital Accounts (₹ crores)					
Gross Fixed Assets	1,523.4	1,552.6	1,815.6	2816.2	3368.5
Net Fixed Assets	1,325.3	1,298.1	1,509.6	2423.4	2861.7
Debt *	1,066.1	1,051.8	1,558.7	2186.4	2548.7
Net Debt	1,027.0	1,033.8	1,432.8	1891.8	2511.5
Shareholders' Funds	314.06	422.31	546.49	1273.5	1367.1
Ratios					
Book Value per Share(₹)	7.28	9.37	12.13	12.91	13.82
Earning per Share [Basic & Diluted(₹)]	(0.69)	1.99	2.45	2.42	0.92
Fixed Asset Turnover Ratio	0.70	0.98	0.94	0.67	0.95
Operating EBIDTA Margin	17.5%	22.9%	21.7%	20.3%	16.2%
Interest Service Coverage Ratio	0.84	1.90	2.57	0.81	0.38
Net Debt to Equity Ratio	3.27	2.45	2.62	1.49	1.84
Long term debt to EBIDTA	6.35	3.55	4.68	5.76	5.70

* Excluding Acceptances

If undelivered, please return to:

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Fax: 022 4826 3000

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