

JSW CEMENT LIMITED
STANDALONE BALANCE SHEET AS AT 31st MARCH, 2022

₹ crore

Particulars	Note No.	As at 31st March 2022	As at 31 st March 2021
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	3,034.12	2,983.30
(b) Capital work-in-progress	4.6	421.34	234.82
(c) Right of use	5	193.66	205.10
(d) Intangible assets	6	64.32	17.67
(e) Intangible assets under development	6	0.38	3.96
(f) Investments in subsidiaries	7	417.05	386.27
(g) Financial assets			
(i) Investments	8	587.76	453.85
(ii) Loans	9	317.19	43.58
(iii) Other financial assets	10	60.18	75.46
(h) Income tax assets	11	1.10	1.10
(i) Other non-current assets	12	228.18	136.64
Total non-current assets		5,325.28	4,541.75
Current assets			
(a) Inventories	13	327.10	259.09
(b) Financial assets			
(i) Trade receivables	14	721.23	527.05
(ii) Cash and cash equivalents	15	134.35	60.78
(iii) Bank balances other than (ii) above	16	322.19	10.32
(iv) Loans	9	248.55	178.03
(v) Other financial assets	10	405.79	325.85
(c) Other current assets	12	260.88	142.64
Total current assets		2,420.09	1,503.76
Total assets		7,745.37	6,045.51
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	986.35	986.35
(b) Other equity	18	1,127.60	761.89
Total Equity		2,113.95	1,748.24
Liabilities			
Non current Liabilities			
(a) Financial liabilities			
(i) Borrowings	19	3,292.63	1,688.91
(ii) Lease liabilities	20	175.26	185.22
(iii) Other financial liabilities	21	12.75	19.55
(b) Provisions	22	77.22	43.02
(c) Deferred tax liabilities (net)	23	225.30	118.73
Total non-current liabilities		3,783.16	2,055.43
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	523.40	1,018.82
(ii) Lease liabilities	20	14.51	13.68
(iii) Trade payables			
Total outstanding dues of Micro and enterprises small enterprises	25	31.94	20.51
Total outstanding dues of creditors other than Micro enterprises and small enterprises	25	716.74	707.08
(iv) Derivative liability	26	-	0.23
(v) Other financial liabilities	27	428.23	360.98
(b) Other current liabilities	28	106.04	111.23
(c) Current tax liabilities (net)		27.40	9.31
Total current liabilities		1,848.26	2,241.84
Total liabilities		5,631.42	4,297.27
Total Equity and liabilities		7,745.37	6,045.51

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

UDIN: 22144084AMCOFR1264



For and on behalf of the Board of Directors

Nirmal Kumar Jain

Chairman

DIN: 00019442

Nilesh Narwekar

Whole-Time Director & CEO

DIN: 06908109

Sneha Bindra

Company Secretary

Parth Sajjan Jindal

Managing Director

DIN: 06404506

Narinder Singh Kahlon

Director Finance & Commercial

DIN: 03578016

Place: Mumbai

Date: 4th May, 2022

JSW CEMENT LIMITED				
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 st MARCH, 2022				
₹ crore				
	Particulars	Note No.	For the year ended 31 st March 2022	For the year ended 31 st March 2021
I	Revenue from operations	29	4,099.22	3,416.77
II	Other income	30	225.19	76.09
III	Total Income (I+ II)		4,324.41	3,492.86
IV	Expenses			
	Cost of raw material consumed	31	1,008.29	778.76
	Purchases of stock in trade	32	26.94	19.25
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	33	(22.83)	45.93
	Employee benefits expense	34	217.53	191.08
	Power and fuel		598.70	387.77
	Freight and handling expenses		955.87	756.67
	Other expenses	35	592.82	455.68
			3,377.32	2,635.14
	Less: Captive consumption		(5.09)	(5.45)
	Total Expenses (IV)		3,372.23	2,629.69
V	Earnings before interest, tax, depreciation and amortisation (EBITDA) (III - IV)		952.18	863.17
VI	Finance costs	36	283.60	277.57
VII	Depreciation and amortization expense	37	169.95	154.28
VIII	Profit before exceptional items and tax (V-VI-VII)		498.63	431.32
IX	Exceptional Items			
	ESOP Expense	39 e	-	35.40
	Profit before tax		498.63	395.92
	Tax expenses			
	Current tax		-	-
	Deferred tax		174.24	138.07
X	Total tax expenses	23	174.24	138.07
XI	Profit for the year (VIII - IX-X)		324.39	257.85
XII	Other comprehensive income			
	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the defined benefit plans		(0.66)	1.00
	(b) Equity instruments through other comprehensive income		55.47	11.93
	ii) Income tax relating to items that will not be reclassified to profit or loss		(19.15)	(4.51)
	Other comprehensive income for the year (XII)		35.66	8.42
	Total comprehensive income for the year (XI + XII)		360.05	266.27
XIII	Earnings per equity share (face value of ₹ 10/- each)			
	- Basic (In ₹)	39 k	3.29	2.61
	- Diluted (In ₹)		3.29	2.61

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
UDIN: 22144084AMCOFR1264



For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
DIN: 00019442

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Nilesh Narwekar
Whole-Time Director & CEO
DIN: 06908109


Narinder Singh Kahlon
Director Finance & Commercial
DIN: 03578016

Place: Mumbai
Date: 4th May, 2022


Sneha Bindra
Company Secretary

JSW CEMENT LIMITED
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2022

₹ crore

Particulars	For the year ended 31 st March 2022	For the year ended 31st March 2021
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
PROFIT BEFORE TAX	498.63	395.92
Adjustments for:		
Depreciation and amortisation expenses	150.98	154.28
Loss on sale of property, plant & equipment	0.32	5.42
Interest Income	(77.81)	(53.88)
Unwinding of interest on financial asset carried at amortised cost		(0.79)
Dividend income from non current investments designated at FVTOCI	(0.55)	(0.24)
Interest expense	250.04	267.49
Share based payment expense	10.49	9.57
Non- cash expenditure	18.20	16.03
Gain from remeasurement of Financial liability	(124.21)	-
Unwinding of interest on financial liabilities carried at amortised cost	4.03	3.65
Exceptional Item	-	35.40
Operating profit before working capital changes	730.12	832.85
Movements in Working Capital:		
(Increase) in trade receivables	(68.02)	(108.89)
(Increase)/ Decrease in inventories	(194.77)	143.70
(Increase) in financial and other assets	(224.90)	(126.54)
Increase in Trade payables and other liabilities	78.72	59.11
Cash flow used in Operations	321.15	800.23
Income taxes paid (net)	(68.73)	(57.02)
NET CASH GENERATED FROM OPERATING ACTIVITIES	252.42	743.21
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment , intangible assets including under development and capital advances	(474.66)	(284.39)
Proceeds from sale of property, plant and equipment	0.01	24.51
Interest received	85.53	17.93
Investment in equity shares of subsidiary	(22.35)	(225.68)
Investment Others	(86.22)	-
Investment in term deposit	(311.71)	(8.29)
Dividend income from non current investments designated at FVTOCI	0.55	0.24
Proceeds from Sale of non -current investments	12.50	-
Loan given to subsidiary (net)	(280.31)	(9.96)
Loan given to related parties	-	0.59
Loan given to Others	(70.30)	(1.55)
Loan given to related parties repaid	1.83	-
Loan given to Others repaid	4.66	18.72
NET CASH USED IN INVESTING ACTIVITIES	(1,140.47)	(467.88)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of compulsory convertible preference share	1,600.00	-
Proceeds from non-current borrowings	965.66	-
Repayment of non-current borrowings	(769.84)	(280.72)
Proceeds from current borrowings (net)	(567.35)	314.13
Payment for lease liabilities	(16.56)	(34.53)
Interest paid on borrowings	(250.13)	(285.36)
NET CASH GENERATED FROM FINANCING ACTIVITIES	961.78	(286.48)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	73.73	(11.15)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	62.81	73.96
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR [Refer Note 15 and 16]	136.54	62.81

* Includes current/ non-current

Reconciliation forming part of cash flow statement

Particulars	1st April 2021	Cash Flow (net)	New Leases	Others	31st March 2022
Borrowings (non-current) (including current maturities of long-term borrowings)	2,059.31	1,799.18		(124.21)	3,734.28
Borrowings Current	655.55	(567.35)		-	88.20
Finance Lease liabilities	198.90	(16.56)	10.34	(2.91)	189.77
Particulars	1st April 2020	Cash Flow (net)	New Leases	Others	31st March 2021
Borrowings (non-current) (including current maturities of long-term borrowings)	2,340.05	(280.72)		(0.02)	2,059.31
Borrowings Current	341.43	314.13		(0.01)	655.55
Finance Lease liabilities	214.16	(34.53)	16.39	2.88	198.90

See accompanying notes to the standalone financial statement

Notes:

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

As per our attached report of even date

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

Valbhav L Dattani
Partner
Membership No.: 144084
UDIN: 22144084AMCOFR1264



For and on behalf of the Board of Directors

Nirmal Kumar Jain
Chairman
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Nilesh Narwekar
Whole-Time Director & CEO
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Sheha Bindra
Company Secretary

Parth Sajjan Jindal
Managing Director
DIN: 06404506

Narinder Singh Kahlon
Director Finance & Commercial
DIN: 03578016

Place : Mumbai
Date: 4th May, 2022

JSW CEMENT LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED 31st MARCH, 2022

Equity Share Capital (A)

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

Other equity (B)

₹ crore

Particulars	Reserves & Surplus		Items of Other comprehensive income/ (loss)	Total
	Retained Earnings	Share option outstanding reserve	Equity instruments through other comprehensive income	
Balance as at 1st April ,2020	463.55	6.11	(8.79)	460.87
Profit for the year	257.85	-	-	257.85
Share based payments	-	34.76	-	34.76
Other comprehensive income for the year (net of tax)	0.65	-	7.76	8.41
Transfer from OCI to Retained Earning (Regrouping)	0.68	-	(0.68)	-
Balance at 31 st March 2021	722.73	40.87	(1.71)	761.89
Balance as at 1st April ,2021	722.73	40.87	(1.71)	761.89
Profit for the year	324.39	-	-	324.39
Share based payments	-	5.66	-	5.66
Other comprehensive income for the year (net of tax)	(0.42)	-	36.08	35.66
Transfer from OCI to Retained Earning	-	-	-	-
Total	323.97	5.66	36.08	365.71
Balance at 31st March, 2022	1,046.70	46.53	34.37	1,127.60

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

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Sneha Bindra

Company Secretary

Place: Mumbai

Date: 4th May, 2022

Note 4 Property, plant and equipment

Description of Assets	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Computers	Office Equipment	Vehicle	Switching station	Residential complex	Leasehold improvement	External road	Railway siding	Total Property, plant and equipment
I. Cost / Deemed cost													
Balance as at 1 April, 2020	35.81	625.10	2,219.85	5.65	7.10	7.96	3.08	16.36	14.85	4.15	84.33	19.00	3,043.24
Additions	0.66	105.64	310.89	1.25	0.66	1.23	0.25	36.33	0.04	0.27	-	-	457.22
Discard/Disposal	-	(25.05)	(10.64)	(0.18)	-	(0.14)	(0.10)	-	-	-	-	-	(36.11)
Balance as at 31 March, 2021	36.47	705.69	2,520.10	6.72	7.76	9.05	3.23	52.69	14.89	4.42	84.33	19.00	3,464.35
Additions	32.25	37.05	111.30	0.58	1.81	1.45	2.38	-	-	-	10.09	-	196.91
Discard/Disposal	-	(0.27)	(4.93)	(0.11)	-	(0.15)	(0.02)	-	-	(0.09)	-	-	(5.57)
Balance as at 31 March, 2022	68.72	742.47	2,626.47	7.19	9.57	10.35	5.59	52.69	14.89	4.33	94.42	19.00	3,655.69
II. Accumulated depreciation													
Balance as at 1 April, 2020	-	30.31	290.87	1.46	2.75	2.40	0.95	2.70	1.60	0.64	10.09	3.62	347.39
Depreciation expense for the year	-	12.66	108.27	0.83	1.76	1.41	0.41	2.11	1.49	1.05	3.37	1.41	134.77
Eliminated on disposal/discard of assets	-	(0.56)	(0.46)	(0.01)	-	(0.03)	(0.05)	-	-	-	-	-	(1.11)
Balance as at 31 March, 2021	-	42.41	398.68	2.28	4.51	3.78	1.31	4.81	3.09	1.69	13.46	5.03	481.05
Depreciation expense for the year	-	13.32	117.49	0.81	1.92	1.50	0.47	2.25	1.49	1.03	3.83	1.41	145.52
Eliminated on disposal/discard of assets	-	(0.03)	(4.85)	(0.02)	-	(0.05)	(0.02)	-	-	(0.03)	-	-	(5.00)
Balance as at 31 March, 2022	-	55.70	511.32	3.07	6.43	5.23	1.76	7.06	4.58	2.69	17.29	6.44	621.57
Carrying value													
Balance as at 31 March, 2022	68.72	686.77	2,115.15	4.12	3.14	5.12	3.83	45.63	10.31	1.64	77.13	12.56	3,034.12
Balance as at 31 March, 2021	36.47	663.28	2,121.42	4.44	3.25	5.27	1.92	47.88	11.80	2.73	70.87	13.97	2,983.30

4.1 Asset include Gross Block of ₹ 622.04 crore (previous year ₹ 612.19 crore) constructed on lease land under sub-lease agreements with JSW Steel Limited, for 150 Acres of land situated at Tornagallu village, District Bellary Karnataka at an annual rent of ₹ 0.60 crore.

4.2 At Vijayanagar, the leasehold land, the sublease agreements with JSW Steel Limited for 150 acres has expired on 24.10.2017. JSW Steel is in the process of converting the title of 1700 acres (wherein 150 acres is part of) from leasehold to freehold by purchasing the said land as per the terms of their lease-cum sale deed with State Government of Karnataka.

JSW Steel Ltd has undertaken to enter into lease agreement for the said 150 acres land with the Company for mutually agreed period after the Sale Deed with State Government of Karnataka for land purchase is executed in their favour. Gross carrying value under Right of use asset is ₹ 3.86 crore.

4.3 Asset include Gross Block of ₹ 416.56 crore (previous year ₹ 413.03 crore) constructed on lease land under lease agreements with JSW Steel Limited, for 20.55 Acres of land situated at Dolvi, District Raigad, Maharashtra at an annual rent of ₹ 2.30 crore.

4.4 Certain property, plant and equipment are pledged against borrowing, the detail relating to which have been described in note 19

4.5 Property, plant and equipment include assets with net block of ₹ 147.27 crore (previous year ₹ 147.25 crore) for which ownership is not in the name of the company

4.6 Capital work in progress includes borrowing cost ₹ 14.31 crore (As at 31 March 2021: ₹ Nil crore)

CWIP Aging Schedule

As at 31st March, 2022

CWIP	Amount in CWIP for a period of			
	Less than 1 year	1 - 2 year	2 - 3 years	More than 3 years
Project in progress	324.05	59.50	16.87	20.92
Project temporarily suspended	-	-	-	-
Projects with cost overrun / timeline delay	-	-	-	-
Total	324.05	59.50	16.87	20.92
				421.34

As at 31st March, 2021

CWIP	Amount in CWIP for a period of			
	Less than 1 year	1 - 2 year	2 - 3 years	More than 3 years
Project in progress	176.78	22.76	26.79	8.50
				234.82

Project temporarily suspended Projects with cost overrun / timeline de	-	-	-	-	-
Total	176.78	22.76	26.79	8.50	234.82

1. Amount transferred to property, plant and equipment during the year 164.66 crore (for the year ended 31st March, 2021 : 456.56 crore)

Note 6 Intangible assets

Description of Assets	Software	Mining Rights	Total Intangible Assets
I. Cost / Deemed cost			
Balance as at 1 April, 2020	6.59	8.93	15.52
Additions	0.29	8.82	9.11
Disposal/Discard	-	-	-
Balance as at 31 March, 2021	6.88	17.75	24.63
Additions	22.35	29.76	52.11
Disposal/Discard	-	-	-
Balance as at 31 March, 2022	29.23	47.51	76.74
II. Accumulated amortisation and impairment			
Balance as at 1 April, 2020	3.91	0.71	4.62
Amortization Expenses for the year	1.88	0.46	2.34
Eliminated on disposal/discard of assets	-	-	-
Balance as at 31 March, 2021	5.79	1.17	6.96
Amortization Expenses for the year	4.54	0.92	5.46
Eliminated on disposal/discard of assets	-	-	-
Balance as at 31 March, 2022	10.33	2.09	12.42
Net Carrying value			
Balance as at 31 March, 2022	18.90	45.42	64.32
Balance as at 31 March, 2021	1.09	16.58	17.67

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.

Intangible under development

As at 31st March, 2022

Intangible under development	To be completed in			
	Less than 1 year	1 - 2 year	2 - 3 years	More than 3 years
Project in progress	0.38	-	-	-
Project Temporary Suspended	-	-	-	-
Projects with cost overrun / timeline de	-	-	-	-
Total	0.38	-	-	0.38

As at 31st March, 2021

Intangible under development	To be completed in			
	Less than 1 year	1 - 2 year	2 - 3 years	More than 3 years
Project in progress	3.96	-	-	-
Project Temporary Suspended	-	-	-	-
Projects with cost overrun / timeline de	-	-	-	-
Total	3.96	-	-	3.96

Note 5 Right of Use assets

₹ crore				
Description of Assets	Leasehold Land	Leasehold Property	Plant and machinery	Total Right of use assets
I. Transferred to right of use				
Balance as at 1 April, 2020	23.68	30.50	183.82	238.00
Additions	0.76	10.14		10.90
Deductions	(0.69)	(2.59)	(9.57)	(12.85)
Balance as at 31 March, 2021	23.75	38.05	174.25	236.05
Additions		10.29		10.29
Deductions		(5.02)		(5.02)
Balance as at 31 March, 2022	23.75	43.32	174.25	241.32
II. Accumulated depreciation				
Balance as at 1 April, 2020	2.46	7.34	4.90	14.70
Depreciation expense	2.20	7.75	7.22	17.17
Elimination on disposal of asset		(0.92)		(0.92)
Balance as at 31 March, 2021	4.66	14.17	12.12	30.95
Depreciation expense	2.29	9.73	6.95	18.97
Elimination on disposal of asset		(2.26)		(2.26)
Balance as at 31 March, 2022	6.95	21.64	19.07	47.66
Carrying value				
Balance as at 31 March, 2022	16.80	21.68	155.18	193.66
Balance as at 31 March, 2021	19.09	23.88	162.13	205.10

Lease:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of agreement by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has used a single discount rate to a portfolio of leases with similar characteristics. The Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount and discounted using the lessee's incremental borrowing rate. The principal portion of the lease payments have been disclosed under cash flow from financing

Interest on lease liabilities

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Leasehold land	0.71	0.94
Leasehold property	2.31	2.33
Power plant	14.34	13.09
Total	17.36	16.36

The Company incurred ₹ 5.99 crore for the year ended March 31, 2022 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 39.27 crore for the year ended March 31, 2022, including cash outflow for short term and low value leases. The Company has lease term extension options that are not reflected in the measurement of lease liabilities. Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

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

JSW CEMENT LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2022

7. Investments in subsidiaries		₹ crore	
Particulars	As at 31st March 2022	As at 31st March 2021	
(A) Investment in Equity Instruments			
Quoted - Subsidiary (Cost or deemed cost)			
Shiva Cement Limited	179.12	179.12	
11,56,66,750 (31st March 2021: 11,56,66,750) of ₹ 2 each fully paid-up			
Unquoted -Subsidiary (Cost or deemed cost)			
JSW Cement FZE	218.56	196.21	
732,930 (31st March 2021: 6,63,199) of AED 150 each fully paid-up			
Utkarsh Transport Limited	1.01	1.01	
1,010,000 (31 March 2021: 1,010,000) of ₹ 10 each fully paid-up			
JSW Green Cement	0.01	0.01	
10,000 (31 March 2021: 10,000) of ₹ 10 each fully paid-up			
Addition on account of corporate guarantee			
JSW Cement FZE	9.92	9.92	
Shiva Cement Limited	8.43	-	
Total	417.05	386.27	
Quoted			
Aggregate book value	187.55	179.12	
Aggregate market value	437.80	270.08	
Unquoted			
Aggregate carrying value	229.50	207.15	
Investment at cost	417.05	386.27	

8. Investments (non current)		₹ crore	
Particulars	As at 31st March 2022	As at 31st March 2021	
(A) Investment in Equity Instruments			
Quoted- others (At fair value through OCI)			
JSW Energy Limited	78.60	23.13	
26,29,610 (31st March 2021: 26,29,610) of ₹ 10 each fully paid-up			
Unquoted- others			
(B) Joint Venture (At deemed cost)	6.72	-	
JSW One platforms Limited			
39,168 (31 March 2021: Nil) of ₹ 10 each			
(C) Investment in Preference Shares (At fair value through Profit and loss)			
Subsidiary			
(i) Unquoted 1% Optionally convertible,cumulative, redeemable preference share			
Shiva Cement Limited	100.00	100.00	
10,000,000 (31 March 2021: 10,000,000) of ₹ 100 each			
Others			
(ii) Unquoted 8% non convertible, non cumulative redeemable preference shares			
Everbest Consultancy service Pvt Ltd.	40.71	35.22	
100,000,000 (31 March 2021: 100,000,000) of ₹ 10 each			
(D) Investment in Debenture			
(i) Unquoted Zero Coupon Optionally Convertible Debentures redeemable at premium (at Amortised cost)			
JSW Sports Limited	283.00	295.50	
28,300 debentures (31 March 2021: 29,550) of ₹ 100,000 each			
(ii) Unquoted Zero Coupon Compulsory Convertible Debentures (At fair value through Profit and loss)			
Algebra Endeavour Private Limited	78.73	-	
7,950,000 debentures (31 March 2021: Nil) of ₹ 100 each			
(E) Investment in government securities (Unquoted (others) (at amortised cost))			
National Saving Certificate - Pledged with Commercial Tax Department ₹ 3,000 (31st March 2021: ₹ 3,000)			
Total	587.76	453.85	
Quoted			
Aggregate book value	78.60	23.13	
Aggregate market value	78.60	23.13	
Unquoted			
Aggregate carrying value	509.16	430.72	
Investment at amortised cost	289.72	295.50	
Investment at fair value through Profit and loss	219.44	135.22	
Investment at fair value through other comprehensive income	78.60	23.13	

JSW CEMENT LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2022

9. Loans

₹ crore

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Unsecured considered good				
Loans to:				
- Related parties *	20.00	1.83	-	20.00
- Other body corporates	-	-	95.42	26.77
- Subsidiary	297.19	38.75	153.13	131.26
- Others	-	3.00	-	-
Total	317.19	43.58	248.55	178.03

* All the above loans have been given for business purpose only. Refer Note 39 (i)

Note:

Considered good (Unsecured)	317.19	43.58	248.55	178.03
Loans which have significant increase in Credit Risk	-	-	-	-
Loans which are credit impaired	-	-	-	-

10. Other financial assets (unsecured, considered good)

₹ crore

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Interest receivable on				
Loan to related party (Refer note 39 (i))	-	-	1.71	2.03
Loan to Other body corporate	-	-	8.61	5.31
Loan to Subsidiaries (Refer note 39 (i))	-	-	8.85	50.18
Investment classified as amortised cost	-	-	54.13	25.97
Others	-	-	4.09	1.63
Rent receivable from related party (Refer note 39 (i))	-	-	8.42	8.42
Security deposits	10.51	19.32	24.31	2.52
Insurance claims receivable	-	-	-	9.31
Deferred Financial asset - Investment in Preference Share	49.67	56.14	6.48	6.48
Other receivable	-	-	21.16	14.99
Government grant income receivable	-	-	268.03	199.01
Total	60.18	75.46	405.79	325.85

11. Income tax assets

₹ crore

Particulars	As at 31st March 2022	As at 31st March 2021
Advance tax and Tax Deducted at Source	1.10	1.10
Total	1.10	1.10

12. Other assets

₹ crore

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Capital advances (Unsecured, considered good)	157.73	93.99	-	-
Advance other than capital advance				
Advance to suppliers	-	-	115.70	68.24
Security deposits	28.29	27.43	94.63	-
Other assets (Unsecured, considered good)				
Gratuity	-	-	-	0.11
Indirect tax balances/recoverable/credits	-	-	25.84	49.12
Prepaid expenses	42.16	15.22	16.90	15.23
Advance to employees	-	-	0.64	0.43
Other receivables	-	-	7.17	9.51
Total	228.18	136.64	260.88	142.64

*Capital Advance

₹ crore

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Capital Advance considered good, Secured	157.73	93.99	-	-
Capital Advances considered good, Unsecured	-	-	-	-
Capital Advances which have significant increase in credit risk	-	-	-	-
Capital Advances-credit impaired	-	-	-	-
	157.73	93.99	-	-
Less: Allowance for expected credit loss	-	-	-	-
Total	157.73	93.99	-	-

JSW CEMENT LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2022

13. Inventories

₹ crore

Particulars	As at 31st March 2022	As at 31st March 2021
Raw materials (includes stock in transit ₹ 4.55 crore ;previous year : 4.37 crore) (at cost)	78.94	48.06
Semi finished goods (at cost)	16.57	7.19
Finished goods (at lower of cost and net realisable value)	33.76	20.31
Traded Goods	0.07	0.32
Stores and spares (includes stock in transit ₹ Nil crore ;previous year : 0.67) (at cost)	144.62	129.62
Fuel (at cost)	53.14	53.59
Total	327.10	259.09

Inventories have been pledged as security against certain bank borrowings of the company as at 31st March 2022 (refer note 24)

Cost of inventory recognised as an expense

₹ crore

Particulars	As at 31st March 2022	As at 31st March 2021
Cost of material consumed	1,008.29	778.76
Changes in inventories of finished goods, semi finished goods and stock in trade	(22.83)	45.93
Stores and spares	50.03	39.17
Fuel	71.64	170.89
Total	1,107.13	1,034.75

14. Trade Receivables

₹ crore

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Receivable considered good, Secured	96.83	80.94
Trade Receivable considered good, Unsecured	624.40	446.11
Trade receivable which have significant increase in credit risk	1.16	0.56
Trade Receivables-credit impaired	0.34	0.34
	722.73	527.95
Less: Allowance for expected credit loss	(1.50)	(0.90)
Total	721.23	527.05

Trade receivable are secured by the funds received from Del credere agent (refer note 27)

Trade receivables have been pledged as security against certain bank borrowings of the company as at 31 March, 2022 (refer note 24)

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

Debts amounting to ₹ 7.73 crore (previous year: ₹ 11.13 crore) are due by private companies in which director is a director

Credit risk management regarding trade receivables has been described in note 38.

Trade receivables from related parties details has been described in note 39.

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

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

Trade receivable ageing schedule

As at 31st March, 2022

Particulars	Outstanding for following periods from date of transaction					Total
	Less than	6 months	1-2 years	2 - 3 years	More than	
Trade receivables - considered good						
- Disputed						
- Undisputed	681.28	17.60	22.35	-	-	721.23
Trade receivables - which have significant increase in credit risk						
- Disputed						
- Undisputed	-	0.32	0.84	-	-	1.16
Trade receivables - credit impaired						
- Disputed						
- Undisputed	-	-	-	-	0.34	0.34

As at 31st March, 2021

Particulars	Outstanding for following periods from date of transaction					Total
	Less than	6 months	1-2 years	2 - 3 years	More than	
Trade receivables - considered good						
- Disputed						
- Undisputed	509.88	4.22	12.95	-	-	527.05
Trade receivables - which have significant increase in credit risk						
- Disputed						
- Undisputed	-	0.03	0.53	-	-	0.56
Trade receivables - credit impaired						
- Disputed						
- Undisputed	-	-	-	-	0.34	0.34

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

15 Cash and cash equivalents

₹ crore

Particulars	As at 31st March 2022	As at 31st March 2021
Balances with banks in current accounts	134.29	60.73
Cash on hand	0.06	0.05
Total	134.35	60.78

16. Bank balances other than cash and cash equivalents

₹ crore

Particulars	As at 31st March 2022	As at 31st March 2021
Lien marked balances		
In term deposits*	2.19	2.03
Term deposit with original maturity of more than 3 months but less than 12 months at inception	320.00	8.29
	322.19	10.32

* Lien for bank guarantee margin

17. Equity Share Capital

₹ crore

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

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

₹ crore

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

17.2 Rights, preferences and restrictions attached to equity shares

Equity Shares: The Company has a single class 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.

17.3 Details of aggregate shareholding by holding company

₹ crore

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

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

₹ In crore

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

17.5 Shares allotted by Company for consideration other than cash : Nil

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

Particulars	As at 31st March 2022		As at 31st March 2021		% change during the year
	Number of	% of holding	Number of	% of holding	
Promotor :					
Adarsh Advisory Services Pvt. Ltd.	89,30,67,550	90.54	89,30,68,050	90.54	-
Promotor Group:					
JSW Investments Pvt. Ltd.	0	-	4,15,89,726	4.22	(4.22)
Siddeshwari Tradex Private Limited	4,66,42,340	4.73	4,66,42,340	4.73	-
JSL Limited	2,00,52,114	2.03	50,52,114	0.51	1.52
Virtuous Tradecorp Private Limited	2,65,90,226	2.70	-	-	2.70

JSW CEMENT LIMITED
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18. Other equity

₹ crore

Particulars	As at 31st March 2022	As at 31st March 2021
Retained earning	1,046.70	722.73
Share option outstanding reserve	46.53	40.87
Other comprehensive income:		
Equity instruments through other comprehensive income	34.37	(1.71)
	1,127.60	761.89

Retained earning

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

Share option outstanding reserve

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

Equity instrument through other comprehensive income:

The fair value change of the equity instruments measured at fair value through other comprehensive income is recognised in Equity instruments through Other Comprehensive Income

19. Non Current Borrowings

₹ crore

Particulars	Non-Current		Current Maturities	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Term Loans (at amortised cost)				
Secured				
From banks	1,731.19	1,693.55	427.73	365.77
From Financial Institution	89.57	-	10.00	-
Less: Unamortised upfront fees on borrowings	(3.92)	(4.64)	(2.53)	(2.50)
Other Loans (at Fair value through profit and loss)				
Unsecured				
Compulsory convertible preference shares	1,475.79	-	-	-
Total	3,292.63	1,688.91	435.20	363.27

Rupee Term Loan from banks (Secured)

As on 31 March 2022		As on 31 March 2021		Terms of Repayment*	Security
Non-current	Current	Non-current	Current		
398.160	73.62	472.13	48.01	Four quarterly installments of Rs. 18.40 Cr in FY23 Four quarterly installments of Rs. 32.75 Cr in FY24 Four quarterly installments of Rs. 38.68 Cr in FY25 Three quarterly installments of Rs. 37.47 Cr in FY26	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
-	72.20	72.45	108.10	Two quarterly installments of Rs. 27.02 Cr in FY23 one quarterly installments of Rs. 18.15 Cr in FY23	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
417.880	90.98	859.50	118.28	Four quarterly installments of Rs. 22.75 Cr in FY23 Four quarterly installments of Rs. 26.31 Cr in FY24 Four quarterly installments of Rs. 27.82 Cr in FY25 Four quarterly installments of Rs. 25.13 Cr in FY26 Four quarterly installments of Rs. 19.99 Cr in FY27 Four quarterly installments of Rs. 4.62 Cr in FY28 One installment of Rs. 2.43 in FY29	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
47.940	47.94	95.88	47.94	Four quarterly installments of Rs. 11.99 Cr in FY23 Four quarterly installments of Rs. 11.99 Cr in FY24	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company

JSW CEMENT LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2022

71,180	18.85	133.59	23.44	Four quarterly installments of Rs. 4.71 Cr in FY23 Four quarterly installments of Rs. 5.36 Cr in FY24 Four quarterly installments of Rs. 5.53 Cr in FY25 Four quarterly installments of Rs. 5.53 Cr in FY26 One quarterly installments of Rs. 5.53 Cr in FY27	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
40,000	20.00	60.00	20.00	Four quarterly installments of Rs. 5.00 Cr in FY23 Four quarterly installments of Rs. 5.00 Cr in FY24 Four quarterly installments of Rs. 5.00 Cr in FY25	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
43,750	17.50			Two half yearly installments of Rs. 8.75 Cr in FY23 Two half yearly installments of Rs. 8.75 Cr in FY24 Two half yearly installments of Rs. 8.75 Cr in FY25 One half yearly installments of Rs. 8.75 Cr in FY26	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
121,500	27.00			Four quarterly installments of Rs. 6.75 Cr in FY23 Four quarterly installments of Rs. 6.75 Cr in FY24 Four quarterly installments of Rs. 6.75 Cr in FY25 Four quarterly installments of Rs. 6.75 Cr in FY26 Four quarterly installments of Rs. 6.75 Cr in FY27 Two quarterly installments of Rs. 6.75 Cr in FY28	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
300,000				Single Repayment in Q3 FY 25	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
290,780	59.64			Four quarterly installments of Rs. 14.28 Cr in FY23 Four quarterly installments of Rs. 16.62 Cr in FY24 Four quarterly installments of Rs. 18.80 Cr in FY25 Four quarterly installments of Rs. 19.38 Cr in FY26 Four quarterly installments of Rs. 18.43 Cr in FY27	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
1,731.19	427.73	1,693.55	365.77		
Term loan from Financial Institution (Secured)					
89.57	10.00			Two quarterly installments of Rs. 5.00 Cr in FY23 Four quarterly installments of Rs. 5.00 Cr in FY24 Four quarterly installments of Rs. 5.00 Cr in FY25 Four quarterly installments of Rs. 5.00 Cr in FY26 Four quarterly installments of Rs. 5.00 Cr in FY27 Two quarterly installments of Rs. 5.00 Cr in FY28	secured on pari passu basis by way of equitable mortgage on present and future immovable fixed assets of the company and by way of deed of hypothecation on present and future moveable fixed assets of the company
1,820.76	437.73	1,693.55	365.77		

* Borrowing have been drawn at rate of interest at 7.10% - 8.45%

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

CCPS carries an annual coupon of 0.01% to be paid as cumulative preferential dividend as and when declared by the Company's Board of directors.

Based on the criteria defined in IND AS 109, CCPS classified as financial liability

JSW CEMENT LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2022

20. Lease Liabilities

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Lease liabilities	175.26	185.22	14.51	13.68
Total	175.26	185.22	14.51	13.68

Lease liabilities

Particulars	As at 31st March 2022	As at 31st March 2021
Opening liability	198.90	214.16
Additions	10.34	16.39
Interest accrued	17.36	16.36
Lease principal payments	(16.56)	(34.53)
Lease interest payments	(17.36)	(16.36)
Reversal	(2.91)	2.88
Closing liability	189.77	198.90
Breakup of lease liability :		
Current	14.51	13.68
Non Current	175.26	185.22

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

Particulars	As at 31st March 2022
Less than 1 years	29.20
1-5 years	111.70
more than 5 years	247.51
	388.41

21. Other non-current financial liabilities

₹ crore

Particulars	As at 31st March 2022	As at 31st March 2021
Payable for capital projects	-	5.80
Guarantee Liability	12.75	8.41
Share based payment payable	-	5.34
Total	12.75	19.55

22. Non-current provisions

₹ crore

Particulars	Non Current	
	As at 31st March 2022	As at 31st March 2021
Provision for employee benefits		
Gratuity (Refer note 39 g)	1.82	-
Leave encashment (Refer note 39 g)	8.45	9.74
Other provisions		
Mines restoration expenditure	66.95	33.28
Total	77.22	43.02

Note 22.1 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:

Particulars	As at 31st March 2022	As at 31st March 2021
Mines Restoration expenditure (to be settled at Mines closure)		
Opening Balance	33.28	23.17
Add: Unwinding of discount on mine restoration expenditure	4.92	2.66
Add: Additional asset created on account of revision of estimates	29.76	8.82
Add: Reversal of provision	(1.01)	(1.37)
Closing Balance	66.95	33.28

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

23. Income tax

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. For each fiscal year, the company's profit or loss is subject to the higher of the regular income tax payable or the minimum alternative tax ("MAT")

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for investment allowance, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 30% plus a surcharge and education cess. MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2021-22 is 17.47%. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

JSW CEMENT LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2022

Income tax expense:

Particulars	₹ crore	
	As at 31st March 2022	As at 31st March 2021
Current tax:		
Current Tax	86.77	69.07
Earlier year tax provision		
Deferred tax:		
Deferred Tax (Asset) / Liability	193.39	142.58
Minimum Alternate Tax Credit Entitlement	(86.77)	(69.07)
Total deferred tax	106.62	73.51
Total tax expense	193.39	142.58

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:

Particulars	₹ crore	
	As at 31st March 2022	As at 31st March 2021
Profit Before Tax	498.63	395.92
Enacted Tax rate in India	34.95%	34.95%
Expected income tax expense at statutory tax rate	174.25	138.35
Tax effect of:		
Income exempt from taxation	-	(0.08)
Expense not deductible in determining taxable profit	71.44	63.30
Expense allowed in determining taxable profit	(173.74)	(131.76)
Increase/(reversal) of Unabsorbed Depreciation	(71.94)	(69.81)
Total Tax effect	(174.24)	(138.35)
Deferred tax on account of		
Property, Plant & Equipment & Other Intangible Asset	38.48	46.97
(Increase)/reversal of Unabsorbed Depreciation	103.02	90.00
Financial Assets, Liabilities and Other Item	32.74	1.10
Deferred Tax	174.24	138.07
Deferred tax on OCI	19.15	4.51
Tax Expense recognised in Statement of Profit and Loss	193.39	142.58
Effective Tax Rate	38.8%	36.0%

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.

Deferred tax assets / liabilities

Significant component of deferred tax assets/(liabilities) recognizes in the financial statements as follows

Deferred tax balance in relation to	As at 31st March 2021	Recognized/ Reversed through profit and loss	Recognized in/ reclassified from other comprehensive income	As at 31 st March 2022
Property plant & Equipment	(604.56)	(34.00)	-	(638.56)
Carried forward business loss/unabsorbed depreciation	176.63	(105.66)	-	70.97
Provision for Employee benefit	3.37	-	0.23	3.60
Borrowings, Lease and Other Liability	76.86	(31.82)	-	45.04
Investment at FVTOCI	(4.17)	(2.60)	(19.38)	(26.15)
Others	(0.45)	(0.16)	-	(0.61)
Tax recognised in Statement of Profit and loss account	(352.32)	(174.24)	(19.15)	(545.71)
MAT Credit entitlement	233.59	86.82	-	320.41
Balance at the end of the year	(118.73)	(87.42)	(19.15)	(225.30)

Deferred tax balance in relation to	As at 31st March 2020	Recognized/ Reversed through profit and loss	Recognized in/ reclassified from other comprehensive income	As at 31st March 2021
Property plant & Equipment	(557.60)	(46.96)	-	(604.56)
Carried forward business loss/unabsorbed depreciation	266.64	(90.01)	-	176.63
Provision for Employee benefit	2.97	0.74	(0.34)	3.37
Borrowings, Lease and Other Liability	77.76	(0.90)	-	76.86
Investment at FVTOCI	-	-	(4.17)	(4.17)
Others	0.49	(0.94)	-	(0.45)
Tax recognised in Statement of Profit and loss account	(209.74)	(138.07)	(4.51)	(352.32)
MAT Credit entitlement	164.52	69.07	-	233.59
Balance at the end of the year	(45.22)	(69.00)	(4.51)	(118.73)

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.

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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.

24. Current Borrowings (at amortised cost)

Particulars	₹ crore	
	As at 31st March 2022	As at 31st March 2021
Secured loans		
Loan repayable on demand		
From bank -working capital loan	38.20	280.55
Unsecured loans		
Loan repayable on demand		
From bank -working capital loan	-	245.00
Commercial Papers	-	50.00
From Related parties	50.00	80.00
Current maturities of long-term borrowings (refer note 19)	435.20	363.27
Total	523.40	1,018.82

24.1 Details of security

Working capital loan obtained from bank is secured by pari passu first charge by way of hypothecation of Stocks of Raw Materials, Finished Goods, Work-in-Progress, Consumable Stores and Spares and Trade Receivables of the Company, both present and future

Loan repayable on demand are secured on first pari passu charge on the Company's current assets by way of hypothecation.

Borrowings have been drawn at following rate of interest

Particulars	Rates of Interest (p.a)
Cash Credit (including unsecured working capital loan)	7.27% to 8.60%
Short Term Loan	12.00%
Commercial paper	7.90%

25. Trade Payables

Particulars	₹ crore	
	As at 31st March 2022	As at 31st March 2021
Total outstanding dues of Micro enterprise and Small enterprise	31.94	20.51
Total outstanding dues of creditors other than Micro enterprises and small enterprises		
Acceptances	131.52	183.72
Other than acceptances	585.22	523.36
Total	748.68	727.59

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 39 (i) with respect to amount payable to Related Parties.

Trade payable ageing schedule

As at 31st March, 2022

Particulars	Outstanding for following period from date of transaction				
	Less than 1 year	1- 2 years	2 - 3 years	More than 3 years	Total
MSME	29.95				29.95
Others	346.57	8.00	1.35	0.86	356.78
Disputed - MSME	1.99				1.99
Disputed - Others					-
Total	378.51	8.00	1.35	0.86	388.72
Add: Acceptances					131.51
Add: Unbilled					228.45
Total					748.68

As at 31st March, 2021

Particulars	Outstanding for following period from date of transaction				
	Less than 1 year	1- 2 years	2 - 3 years	More than 3 years	Total
MSME	20.51	-	-	-	20.51
Others	307.04	5.24	-	-	312.28
Disputed - MSME	-	-	-	-	-
Disputed - Others	-	-	-	-	-
Total	327.55	5.24	-	-	332.79
Add: Acceptances					183.72
Add: Unbilled					211.08
Total					727.59

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

SI No	Particulars	As on 31st March 2022	As on 31st March 2021
1	Principal amount due outstanding as at 31st March	31.94	20.51
2	Principal amount overdue more than 45 days	-	4.92
3	Interest due on (2) above and unpaid as at 31st March	-	0.04
4	Interest paid to the supplier	-	-
5	Payments made to the supplier beyond the appointed day during the year	-	-
6	Interest due and payable for the period of delay	-	-
7	Interest accrued and remaining unpaid as at 31st March	-	-
8	Amount of further interest remaining due and payable in succeeding year	-	-

26. Derivative liability

Particulars	As at 31st March 2022	As at 31st March 2021
Forward contract (refer note 39 f)	-	0.23
Total	-	0.23

27. Other current financial liabilities

Particulars	₹ crore	
	As at 31st March 2022	As at 31st March 2021
Interest accrued but not due on borrowings	0.13	0.22
Payable for capital projects		
- Acceptances	2.01	0.32
- Other than acceptances	79.15	84.50
Security Deposit received	236.27	189.79
Allowance for financial guarantee	2.67	0.34
Share based payments payable	11.17	4.87
Del Credre Finance payable	96.83	80.94
Total	428.23	360.98

Acceptances include credit availed by the company from banks for payment to suppliers for capital items purchased by the company. The arrangements are interest bearing and are payable within one year.

Movements In Allowances For Financial Guarantees

Particulars	₹ crore	
	Amount	
As at 31 March 2021	8.75	
Additional created during the year	8.43	
Written off	(1.76)	
As at 31 March 2022	15.42	

28. Other current liabilities

Particulars	₹ crore	
	As at 31st March 2022	As at 31st March 2021
Current dues of long-term employee benefits	2.60	1.25
Advances from customers	2.57	10.97
Statutory liabilities	99.89	98.58
Other Payables	0.98	0.43
Total	106.04	111.23

29. Revenue From Operations

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
A. Sale of Products		
Finished goods	3,910.89	3,283.35
Traded	77.99	40.16
B. Other operating revenue		
Scrap sale	29.64	18.96
Job Work Income	11.68	3.76
Total revenue from contracts with customers (A+B)	4,030.20	3,346.23
C. Government grant income	69.02	70.54
Total (A+B+C)	4,099.22	3,416.77

Incentive under west bengal incentive scheme

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

Incentive under Odissa scheme

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

Reconciliation of Revenue from sale of products with the contracted price

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Contracted Price	4,584.70	3,734.65
Less: Trade Discount, Volume, Rebate etc.	(595.82)	(411.14)
Sale of Products	3,988.88	3,323.51

Revenue recognised from Contract liability (Advances from Customers):

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Closing Balance of Contract Liability	2.57	10.97

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

Product wise turnover

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Cement	2,758.52	2,480.11
GGBS	1,013.67	709.89
Screen Slag	38.47	43.87
RMC	85.37	48.90
Others	92.85	40.74
Total	3,988.88	3,323.51

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Revenue from contracts with customer	3,988.88	3,323.51
Other operating revenue	110.34	93.26
Total revenue from operations	4,099.22	3,416.77
India	4,082.87	3,402.45
Outside India	16.35	14.32
Total revenue from operations	4,099.22	3,416.77
Timing of revenue recognition		
At a point in time	4,099.22	3,416.77
Total revenue from operations	4,099.22	3,416.77

30. Other Income

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest income on financial assets		
Interest income from loan to Related party (refer note 39 (i))	27.41	17.88
Interest income from Others	20.85	8.38
Interest on Debentures	29.55	28.41
Guarantee commission	1.76	1.14
Dividend income from non current investments designated at FVTOCI	0.55	0.24
Gain on Financial assets	5.49	-
Write Back of excess provision	4.45	7.54
Insurance claim income	7.25	12.11
Project Management fees	3.00	-
Derivative Liability for CCPS- FVTPL	124.21	-
Miscellaneous income	0.67	0.39
Total	225.19	76.09

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31. Cost of raw material consumed

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Inventory at the beginning of the year	48.06	177.31
Add : Purchases	1,039.17	649.51
Less: Inventory at the end of the year	(78.94)	(48.06)
Total	1,008.29	778.76

32. Purchases Of Stock in trade

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Granulated Blast Furnace Slag	26.10	8.55
Cement	0.84	10.70
Total	26.94	19.25

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

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Inventories at the beginning of the year		
Finished goods	20.31	44.32
Semi finished goods	7.19	29.11
	27.50	73.43
Inventories at the end of the year		
Finished goods	33.76	20.31
Semi finished goods	16.57	7.19
Total Inventories at the end of the year	50.33	27.50
Total	(22.83)	45.93

34. Employee benefits expense

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Salaries and wages	192.90	169.96
Employee stock option expense	10.49	9.57
Contributions to provident fund and other funds (Refer note 39 g)	6.91	6.27
Gratuity expense (Refer note 39 g)	2.00	1.90
Staff welfare expenses	5.23	3.38
Total	217.53	191.08

35. Other expenses

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Consumption of stores and spares	50.03	39.17
Packing Cost	130.21	104.82
Repairs and maintenance expenses:		
-Repairs to buildings	2.31	1.98
-Repairs to machinery	53.31	40.35
-Job Work charges	20.10	10.61
-Others	8.30	9.29
Rent	1.98	1.43
Rates and taxes	2.55	2.40
Insurance	9.59	8.47
Legal & professional	37.43	36.36
Advertisement & publicity	75.01	51.44
Commission on sales	61.83	50.72
Rebates & discounts	34.08	8.55
Selling & distribution expenses	6.47	5.78
Branding fees	6.87	5.02
Auditors remuneration (Refer note 39 j)	0.37	0.35
Loss on sale of Property, Plant and Equipment	0.32	5.42
Postage & telephone	0.94	1.03
Printing & stationery	0.41	0.59
Travelling expenses	16.99	16.79
Corporate social responsibility expense (Refer note 39 l)	5.23	4.88
Software and IT related expenses	9.59	3.38
Net loss on foreign currency translation and transactions	2.34	0.77
Donation	1.02	1.77
Port handling charges	17.67	11.01
Miscellaneous expenses	37.87	33.30
Total	592.82	455.68

36. Finance Costs

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest expenses	226.11	250.05
Interest on lease liabilities	17.36	16.36
Unwinding of interest on financial liabilities carried at amortised cost	4.03	3.65
Unwinding of discount on mines restoration expenditure	4.92	2.66
Deferred Financial asset expenses	6.48	2.16
Fair Value Loss arising from Financial Asset	0.77	-
Other borrowing cost	23.93	2.69
	283.60	277.57

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

37. Depreciation And Amortization Expense

₹ crore

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Depreciation on Property, plant and equipment	136.09	125.24
Depreciation of Asset constructed on property not owned by company	9.44	9.44
Depreciation on Right of use assets	18.97	17.26
Amortization of Intangible assets	5.46	2.34
	169.96	154.28

Note 38

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.

₹ crore		
Particulars	31st March 2022	31st March 2021
Long term borrowings	3,292.63	1,688.91
Short term borrowings	523.40	1,018.82
Less: Cash and cash equivalent	(134.35)	(60.78)
Less: Bank balances other than cash and cash equivalents	(322.19)	(10.32)
Net Debt	3,359.49	2,636.63
Total Equity	2,113.95	1,748.24
Gearing ratio	1.59	1.51

(i) Equity includes all capital and reserves of the company that are managed as capital (Refer note 17 and 18)

(ii) Debt is defined as long-term and short-term borrowings. (refer note 19 and 24)

B. Categories of financial instruments

₹ crore				
Particulars	31st March 2022		31st March 2021	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	134.35	134.35	60.78	60.78
Bank balances other than cash and cash equivalents	322.19	322.19	10.32	10.32
Trade receivables	721.23	721.23	527.05	527.05
Loans	565.74	565.74	221.61	221.61
Non current investments	289.72	289.72	295.50	295.50
Other financial assets	465.97	465.97	401.31	401.31
Total financial assets at amortised cost (A)	2,499.20	2,499.20	1,516.57	1,516.57
Measured at fair value through other comprehensive income				
Non current investments	78.60	78.60	23.13	23.13
Total financial assets at fair value through other comprehensive income (B)	78.60	78.60	23.13	23.13
Measured at fair value through other Profit and loss account				
Non current investments	219.44	219.44	135.22	135.22
Total financial assets at fair value through profit and loss account (C)	219.44	219.44	135.22	135.22
Total Financial assets (A+B+C)	2,797.24	2,797.24	1,674.92	1,674.92
Financial liabilities				
Measured at amortised cost				
Long term borrowings	1,816.84	1,816.84	1,688.91	1,688.91
Short term borrowings	523.40	523.40	1,018.82	1,018.82
Trade payable	748.68	748.68	727.59	727.59
Other financial liabilities	630.75	630.75	579.66	579.66
Total financial liabilities at amortised cost	3,719.67	3,719.67	4,014.98	4,014.98
Measured at fair value through profit and loss				
Long term borrowings	1475.79	1,475.79	-	-
Total financial liabilities at fair value through profit and loss	1,475.79	1,475.79	-	-

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:

Particular	₹ crore	
	As at 31st March, 2022	As at 31st March, 2021
Fixed rate borrowings	50.00	155.00
Floating rate borrowings	3,772.48	2,559.87
Total borrowings	3,822.48	2,714.87
Total Net borrowing	3,816.03	2,707.73
Add: Upfront fees	6.45	7.14
Total borrowings	3,822.48	2,714.87

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the company's profit for the year ended 31 March 2022 would decrease / increase by ₹ 30.71 crore (for the year ended 31 March 2021: decrease / increase by ₹ 27.84 crore). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

iii. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Trade receivables

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an individual credit limits defined in accordance with the assessment.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. No single customer accounted for 10.0% or more of revenue in any of the years indicated. A single largest customer has total exposure in sales of 2.71%. 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:

Particular	₹ crore	
	As at 31st March 2022	As at 31st March 2021
Balance at the beginning of the year	0.56	0.78
Change in allowance for trade receivable which have significant increase in credit risk	0.60	-
Trade receivable written off during the year	-	0.22
Balance as at the end of the year	1.16	0.56

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 2022 and 31st March 2021 is the carrying amounts

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 2022

Particulars	₹ crore			
	Contractual cash flows			Total
	< 1 year	1-5 year	> 5 years	
Financial assets				
Cash and cash equivalents	134.35	-	-	134.35
Bank balances other than cash and cash equivalents	322.19	-	-	322.19
Trade receivables	721.23	-	-	721.23
Loans	248.55	317.19	-	565.74
Non current investments	-	-	587.76	587.76
Other financial assets	405.79	60.18	-	465.97
Total Financial assets	1,832.11	377.37	587.76	2,797.24
Financial liabilities				
Long term borrowings	-	3,080.75	211.88	3,292.63
Short term borrowings	523.40	-	-	523.40
Trade payable	748.68	-	-	748.68
Other financial liabilities	442.74	188.01	-	630.75
Total financial liabilities	1,714.82	3,268.76	211.88	5,195.46

Liquidity exposure as at 31st March 2021

Particulars	₹ crore			
	Contractual cash flows			Total
	< 1 year	1-5 year	> 5 years	
Financial assets				
Cash and cash equivalents	60.78	-	-	60.78
Bank balances other than cash and cash equivalents	10.32	-	-	10.32
Trade receivables	527.05	-	-	527.05
Loans	178.03	43.58	-	221.61
Non current investments	-	-	453.85	453.85
Other financial assets	325.85	75.46	-	401.31
Total Financial assets	1,102.03	119.04	453.85	1,674.92
Financial liabilities				
Long term borrowings	-	1,477.03	211.88	1,688.91
Short term borrowings	1,018.82	-	-	1,018.82
Trade payable	727.59	-	-	727.59
Other financial liabilities	374.89	204.77	-	579.66
Total financial liabilities	2,121.30	1,681.80	211.88	4,014.98

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 etc.

The amount of guarantees given on behalf of Subsidiaries included in note 39 represents the maximum amount the Company could be forced to settle for the full guaranteed amount. Based on expectation at the end of the reporting year, the Company considers that it is more likely that such an amount will not be payable.

Fair value hierarchy of financial instruments

₹ crore				
Particulars	31 st March 2022	31 st March, 2021	Fair value hierarchy	Valuation technique(s) and key input(s)
Investment in Equity Shares measured at FVTOCI	78.60	23.13	Level 1	Quoted Bid Prices in an active market.
Investment in Preference shares measured at FVTPL	40.71	35.22	Level 3	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Investment in Debentures measured at FVTPL	78.73	-	Level 3	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Borrowing measured at fair value through profit and loss	1,475.79	-	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Derivative (Assets)/ Liabilities	-	0.23	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.

Sensitivity analysis of Level 3:

₹ crore				
Particular	Valuation Technique	Significant unobservable inputs	Change	Sensitivity of the input of fair value
Investment in Preference shares	DCF Method	Discounting Rate of 10.50%	0.50%	0.5% increase (decrease) in the discount would decrease (increase) the fair value of ₹ 0.16 Crore
Investment in debentures	DCF Method	Discounting Rate of 11%	0.50%	0.5% increase (decrease) in the discount would decrease (increase) the fair value of ₹ 0.09 /₹ 1.93 crore.

Reconciliation of Level 3 Fair Value Measurement

₹ crore	
Particulars	Amount (Rs)
Balance as on 31.03.2021	35.22
Addition made during the year	84.99
Allowance for loss	0.77
Balance as on 31.03.2022	119.44

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

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

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

Details of Financial assets/ liabilities measured at amortized cost or fair value disclosed in category, etc.

₹ crore

Particulars	31 st March 2022	31 st March 2021	Fair value hierarchy	Valuation technique(s) and key input(s)
Investment in Optionally Convertible Debentures				
Carrying value	283.00	295.50	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	283.00	295.50		
Loans				
Carrying value	565.74	221.61	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value	565.74	221.61		
Long term borrowings				
Carrying value	2,252.04	2,052.18	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.
Fair value *	2,252.04	2,052.18		

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

JSW Cement Limited
NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2022

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 2022

Particulars	CHF	USD	EURO	AED	INR	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	134.35	134.35
Bank balances other than cash and cash equivalents	-	-	-	-	322.19	322.19
Trade receivables	-	5.32	-	-	715.91	721.23
Loans	-	-	-	11.37	554.37	565.74
Non current investments	-	-	-	218.56	369.20	587.76
Other financial assets	-	-	-	0.12	465.85	465.97
Total Financial assets	-	5.32	-	230.05	2,561.87	2,797.24
Financial liabilities						
Long term borrowings	-	-	-	-	3,292.63	3,292.63
Short term borrowings	-	-	-	-	523.40	523.40
Trade payable	0.07	-	-	-	748.61	748.68
Other financial liabilities	-	-	-	-	630.75	630.75
Total financial liabilities	0.07	-	-	-	5,195.39	5,195.46

Currency exposure as at 31st March 2021

Particulars	CHF	USD	EURO	AED	INR	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	60.78	60.78
Bank balances other than cash and cash equivalents	-	-	-	-	10.32	10.32
Trade receivables	-	-	-	-	527.05	527.05
Loans	-	-	-	-	221.61	221.61
Non current investments	-	-	-	196.21	257.64	453.85
Other financial assets	-	-	-	2.99	398.32	401.31
Total Financial assets	-	-	-	199.20	1,475.72	1,674.92
Financial liabilities						
Long term borrowings	-	-	-	-	1,688.91	1,688.91
Short term borrowings	-	-	-	-	1,018.82	1,018.82
Trade payable	-	6.77	0.07	-	720.75	727.59
Other financial liabilities	-	-	-	-	579.66	579.66
Total financial liabilities	-	6.77	0.07	-	4,008.14	4,014.98

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

JSW CEMENT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

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 ~ 4.00 million tonne per annum grinding unit at Vijayanagar- Karnataka, ~ 4.20 million tonne per annum cement manufacturing unit at Bilkalguduru village near Nandyal- Andhra Pradesh, ~ 2.50 million tonne per annum grinding unit at Dolvi Maharashtra, ~ 3.00 million tonne per annum grinding unit at Salboni village in West Bengal and ~ 1.20 million tonne per annum grinding unit at Jajpur in Odissa.

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

2. SIGNIFICANT ACCOUNTING POLICIES

I. Statement of Compliances

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

The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 4th May 2022.

II. Basis of preparation and presentation

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements

that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

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

The Financial Statement is presented in INR which is the functional currency of the company. All the values are rounded off to Crore unless otherwise stated

Current and non-current classification

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

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

- It is expected to be realized in or is intended for sale or consumption in, its normal operating cycle; or
- it is held primarily for the purpose of being traded; or
- 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. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

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

III. Revenue Recognition

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

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

No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed to with the customer concerned, which is consistent with market practice.

Contract Balances

i) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration including Trade receivables

ii) Contract liabilities

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

iii) Refund liabilities

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

Dividend and interest income

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

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

IV. Leases

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

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

Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. For a contract that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of the ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases rental income is recognised on a straight line basis over the terms of the relevant lease.

V. Foreign Currency Transactions

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

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-

monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

- a) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- b) exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (xvii)(B)(e));
- c) exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements upto March 31, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable Property, Plant and equipment to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable Property, Plant and equipment, the exchange difference is amortised over the maturity period/up-to the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss.

VI. Borrowing Costs

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

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

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

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

VII. Government grants and subsidies

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

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

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

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

VIII. Employee Benefits

Retirement benefit costs and termination benefits

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.

Defined contribution plan :

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

Defined benefit plans:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in 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.

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for each completed year of service as per the Payment of Gratuity Act, 1972.

Short-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.

Long term employee benefits:

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.

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

IX. 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 39e.

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.

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

X. Taxation

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

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Taxable profit differs from net

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

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the 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.

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

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

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

Properties in the course of construction are carried at cost, less any recognised impairment loss, as capital work in progress. Upon completion, such properties are transferred to the appropriate categories of property, plant and equipment and the depreciation commences. Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognised.

Assets in the course of construction or which are not ready for its intended use are shown as Capital Work-in-progress ("CWIP") for capitalisation and includes cost of material consumed, erection charges thereon along with other related expenses incurred for the projects. Expenditure attributable to Property, Plant and equipment are identified and allocated on a systematic basis to the cost of related assets. Interest during construction and expenditure (net) allocated to construction are apportioned to CWIP based on the closing balance of specific assets or part of asset being capitalised. The balance if any, left after such capitalisation is kept as a separate item under CWIP schedule. Claims for price variation/ escalation in case of contracts are accounted for on acceptance of claims.

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

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

Depreciation

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

asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. in order to reflect the actual usage

Estimated useful lives of the assets are as follows:

Sr. No.	Class of Property, plant and equipment	Useful life of assets in years
1	Plant and Machinery	3 to 65 years
2	Factory Building	3 to 65 years
3	Non-Factory Building	3 to 65 years

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

Depreciation on additions to property, plant and equipment is provided on a pro-rata basis from the date of installation and in the case of a new project from the date of commencement of commercial production. Depreciation on deductions / disposals is provided on pro-rata basis up-to the date of deduction/disposal. In respect of an asset for which impairment loss, if any, is recognised, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The Company identifies and determines cost of each component / part of the asset and depreciates separately, if the component / part have a cost which is significant to the total cost of the asset and has a useful life that is materially different from that of the remaining asset. Assets less than 5000 are fully depreciated in the year of purchase.

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

Freehold lands 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.	Class of Property, plant and equipment	Useful life of assets in years
1	Switching substation	35 years
2	Railway Siding	15 years
3	Road	25 years
4	Leasehold improvement	3 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

The cost of Intangible Assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on acquiring the asset which is ready for its intended use.

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

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

a) Mining rights -Site restoration costs

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

Useful lives and amortization of intangible Assets

Estimated useful lives of the intangible Assets are as follows.

Sr. No.	Nature of Assets	Useful life of assets
1	Software	3 years
2	Mining rights	Period of mining lease

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

Mines assets amortisation

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

XIII. Impairment of tangible 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. Such reversal of impairment loss is recognised in the Statement of Profit and Loss.

XIV. Inventories

Inventories are valued after providing for obsolescence as follows:

- i) Raw material, stores & spares, packing material and fuels are valued at lower of cost and net realisable value. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis. However, when a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value
- ii) Work-in-progress and Finished Goods are valued at lower of cost and net realisable value. Cost of finished goods and work-In –progress include cost of direct material and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost.
- iii) Waste/Scrap inventory is valued at net realisable value.
- iv) Obsolete, defective and unserviceable stock is duly provided for wherever applicable.
- v) Cost includes cost of purchase price, cost of conversion and other costs incurred in bringing the inventories to their present location and condition
- vi) Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XV. Provisions, Contingent Liabilities and Contingent Assets

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

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its

carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation 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.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity

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

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- i) estimated amount of contracts remaining to be executed on capital account and not provided for
- ii) uncalled liability on shares and other investments partly paid
- iii) funding related commitment to associate and joint venture companies; and
- iv) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management

Commitments include the amount of purchase orders (net of advances) issued to parties for completion of assets.

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. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

XVI. Investment in subsidiaries, associates and joint venture

Investment in subsidiaries, associates and joint ventures are shown at cost less accumulated impairment losses if any. Where the carrying amount of an investment is 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 and subsequently to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit and loss (FVTPL.)

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

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

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

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

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

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

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

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

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an 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 Standalone statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

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

c) Derecognition of financial assets

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

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

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

d) Impairment

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

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

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

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

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

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

e) Effective interest method

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

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

B. Financial liabilities and equity instruments

a) Classification as debt or equity

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

b) Equity instruments

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

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

c) Financial liabilities

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

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 the statement of profit or loss.

d) Reclassification of financial assets and financial liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made 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) Derivative financial instruments:

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item. The contracts to buy or sell a non-financial item that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements are not considered as derivative instruments.

f) Hedge accounting

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

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

(i) Fair value hedges

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

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

g) Offsetting a financial asset and a financial liability

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet when, and only when, there is a currently enforceable legal right to setoff the recognised amounts and there is an intention to realise the assets and settle the liabilities simultaneously on a net basis.

XVIII. Cash and cash equivalents:

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

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

XIX. Segment reporting:

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

XX. Earnings Per Share

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

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

XXI. Financial Guarantee contracts:

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

XXII. Statement of cash flows:

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

- i) changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;
- ii) non-cash items such as depreciation, provisions, and unrealised foreign currency gains and losses etc.; and
- iii) all other items for which the cash effects are investing or financing cash flows.

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

XXIII. Exceptional items:

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

3. Key sources of estimation uncertainty and recent accounting pronouncement

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates

and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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. It is possible that the estimates made based on existing experience are different from the actual outcomes and could cause a material adjustment to the carrying amount of property, plant and equipment.

ii) Impairment of 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 etc. for arriving at the future cash flows expected to arise from the cash generating units, and discount rates in order to calculate the present value of such cash flows. 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. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters need to be classified as 'remote,' 'possible' or 'probable' based on expert advice, past judgements, terms of the contract, regulatory provisions etc.

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 crystallising 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 Discounted Cash Flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility

vi) Income Taxes

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

vii) Leases

If an arrangement contains a lease, the parties to the arrangement shall apply the requirements of Ind AS 116 to the lease element. Therefore, the Company is required to separate payments and other consideration required by the arrangement into those for the lease and for other elements on the basis of their relative fair values. However, Management has concluded that it is impracticable to separate both the elements reliably and has recognized an asset and a liability at an amount equal to the carrying value of the specified asset in the books of the lessor. Subsequently, the liability has been reduced as payments are made and an imputed finance charges on the liability recognized using the Company's incremental borrowing rate of interest over the tenure of the arrangement. The total payments less payments made towards lease obligation and imputed finance charges have been considered to be the consideration for elements other than lease.

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

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.

ix) Expected credit loss

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

B) Recent Accounting Pronouncements

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

- (a) Ind AS 16 | Property, plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022
- (b) Ind AS 37 | Provisions, contingent liabilities and contingent assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022, although early adoption is permitted.
- (c) Ind AS 103 | Business combinations – The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.
- (d) Ind AS 109 | Financial instruments – The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

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

C) Critical accounting judgements in applying accounting policy

- i) **Determining the lease term of contracts with renewal and termination options – Company as lessee.**
The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.
- ii) **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.
- iii) **Incentives under the State Industrial Policy**
The Company units at Salboni in West Bengal & Jajpur in Odisha are eligible for incentives under the respective state government policy/ scheme for availing incentives in the form of VAT/ SGST reimbursement.

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

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

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

iv) Compulsory Convertible Preference shares

The Company has issued Compulsorily convertible preference share (CCPS) which is convertible into equity shares at mutually agreed date or on IPO date after the initial lock-in period. The conversion into equity shares will be at the fair market price to be determined on the date of conversion. Judgement is required to determine whether a) CCPS are converted into fixed number of shares of the company and to be classified as equity or b) CCPS are converted into variable number of shares which would meet the definition of a financial liability and thus classify CCPS as financial liability instruments.

JSW CEMENT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

39. OTHER NOTES

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

Sr. No.	Particulars	₹ Crore	
		As at 31 st March 2022	As at 31 st March 2021
i)	Differential Custom duty in respect of Import of Steam Coal	22.50	22.50
ii)	Excise Duty & Service tax credit in respect of capital goods and input services	15.76	52.40
iii)	Cess under the Building and other Constructions Workers Act, 1946	2.00	2.00
iv)	VAT exemption on sales made to SEZ unit	3.57	0.05
v)	Income Tax	11.04	0.34
	Total	54.87	77.29

b) Commitments:

Sr. No.	Particulars	₹ Crore	
		As at 31 st March 2022	As at 31 st March 2021
i)	Estimated amount of Contract remaining to be executed on capital accounts and not provided for (net of advances)	387.23	172.46

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

d) The company is yet to receive balance confirmations in respect of certain Trade Payables, Advances and Trade Receivables. The management does not expect any material difference affecting the amount at which they are stated.

e) Employee Share Based Payments Plans:

The Company has provided share-based payment schemes to its employees.

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

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

As the Company has grown substantially in last 5 years and with an intention that all the employee (including new employee added in last five years) working for the Company should benefit from the Company ESOP Plan, the Company in the Extra-Ordinary meeting held on 30th November 2021 approved the Employee Stock

Ownership Plan 2021 ('ESOP Plan 2021'). Under ESOP Plan 2021, all the employees on the company payroll will receive based on defined criteria maximum three grants.

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

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

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

Particulars	FY 2016-17	FY 2017-18	FY 2018-19
	(Grant 1)	(Grant 2)	(Grant 3)
Date of Grant	1 st April, 2016	1 st April, 2017	1 st April, 2018
Vesting Period	1 year i.e. from 01.04.2016 to 31.03.2017	50% in 3 years i.e. from 01.04.2017 to 31.03.2020 50% in 4 years i.e. from 01.04.2017 to 31.03.2021	50% in 3 years i.e. from 01.04.2018 to 31.03.2021 50% in 4 years i.e. from 01.04.2018 to 31.03.2022
Option Granted on 1 st April	56,20,950	56,15,072	1,34,88,024
Options Lapsed (upto FY 2018-19)	6,67,791	12,01,314	14,42,517
Options forfeited (by cash payout) (upto FY 2018-19)	8,88,009	-	-
Options Outstanding (01.04.2019)	40,65,150	44,13,758	1,20,45,507
Vested	40,65,150	-	-
Unvested	-	44,13,758	1,20,45,507
Options Lapsed (FY 2019-20)	-	2,75,829	10,68,610
Options outstanding (31.03.2020)	40,65,150	41,37,929	1,09,76,897
Vested	40,65,150	20,68,965	-
Unvested	-	20,68,964	1,09,76,897
Options lapsed (FY 2020-21)	-	63,396	6,17,846
Options forfeited (to be settled by cash) (FY 2020-21)	8,64,701	3,30,127	4,08,717
Options outstanding (31.03.2021)	32,00,449	37,44,406	99,50,334
Vested	32,00,449	37,44,406	49,75,167
Unvested	-	-	49,75,167
Options lapsed (FY 2021-22)	-	28,481	6,58,947
Options forfeited (Cash settled) (FY 2021-22)	3,65,076	3,81,042	6,46,984
Options outstanding (31.03.2022)	28,35,373	33,34,883	86,44,403
Vested	28,35,373	33,34,883	86,44,403
Unvested	-	-	-
Method of settlement (on vesting)	Equity Settled	Equity Settled	Equity Settled
Exercise Price (₹ per share)	68.70	68.50	42.77
Fair Value on date of grant	43.24	40.49	23.49
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are	The fair value option has been calculated by using Black-Scholes Method, The assumptions used in above are
Weighted average values of the share price	Not Applicable	Not Applicable	Not Applicable
Expected Volatility	Average rate of 28% Volatility was calculated using standard deviation of daily change in stock	Average rate of 28% Volatility was calculated using standard deviation of daily change in stock	Average rate of 28% Volatility was calculated using standard deviation of daily change in

	price of comparative companies of same industry	price of comparative companies of same industry	stock price of comparative companies of same industry
Expected Option life	7 years	6 years	5 years
Risk-Free Interest rate	5.00% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.	5.00% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.	5.00% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.
The method used and the assumptions made to incorporate the effects of early exercise	Black Scholes option pricing model	Black Scholes option pricing model	Black Scholes option pricing model
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility Whether and how any other features of the option grant were incorporated into the measurement of the fair value, such as market condition	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life

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

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

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

Particulars	FY 2021-22	
	(Grant 1)	
Date of Grant	1 st December, 2021	
Vesting Period	25% in 12 months i.e. from 01.12.2021 to 01.12.2022 25% in 16 months i.e. from 01.12.2021 to 01.04.2023 25% in 28 months i.e. from 01.12.2021 to 01.04.2024	
Option Granted on 1 st April	55,61,408	
Options Lapsed (upto FY 2021-22)	370,657	
Options outstanding (31.03.2022)	51,90,391	
Vested	-	
Unvested	51,90,391	
Method of settlement (on vesting)	Equity Settled	
Exercise Price (₹ per share)	10.00	
Fair Value on date of grant	Vesting date	Fair value
	01.12.2022	89.40
	01.04.2023	89.55
	01.04.2024	90.01
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	
Weighted average values of the share price	Not Applicable	

Expected Volatility	Average rate of 35% Volatility was calculated using standard deviation of daily change in stock price of comparative companies of same industry
Expected Option life	7 years
Risk-Free Interest rate	5.00% Zero coupon sovereign bond yields were utilized with maturity equal to expected term of option.
The method used and the assumptions made to incorporate the effects of early exercise	Black Scholes option pricing mode
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility Whether and how any other features of the option grant were incorporated into the measurement of the fair value, such as market condition	The following factor has been considered a) Share price b) Exercise prices c) Historical volatility d) expected option life

Expenses related to current financial year is debited to Profit & Loss Account ₹ 8.14 crore.

f) Derivatives: Hedged Currency Risk Position

The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments.

- i) The forward exchange contracts entered into by the company and outstanding are as under:

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

- ii) The foreign currency exposures that have not been hedged by derivative instruments or otherwise as at Balance Sheet date as given below:

Sr. No	Particulars	AED equivalent (million)	CHF equivalent (million)	EURO equivalent (million)	USD equivalent (million)	₹ Crore equivalent
a)	Import of Raw material & Fuel As at 31 st March 2022 As at 31 st March 2021	- -	- -	- 0.01	- 0.92	- 6.84
b)	Trade receivable As at 31 st March 2022 As at 31 st March 2021	- -	- -	- -	0.72 -	5.32 -
c)	Trade payable As at 31 st March 2022 As at 31 st March 2021	- -	0.00 -	- -	- -	0.07 -
d)	Loan given to subsidiary As at 31 st March 2022 As at 31 st March 2021	14.69 -	- -	- -	- -	11.37 -
e)	Interest Receivable As at 31 st March 2022 As at 31 st March 2021	- -	- -	- -	- -	0.12 -

- iii) The foreign currency exposures that have been hedged by derivative instruments or otherwise as at Balance Sheet date are:

Sr. No.	Particulars	USD equivalent (million)	₹ Crore equivalent
a)	Suppliers' / Buyers' Credit As at 31 st March 2022 As at 31 st March 2021	- 9.69	- 71.79
b)	Interest Accrued but not due on Suppliers' / Buyers' Credit As at 31 st March 2022 As at 31 st March 2021	- 0.02	- 0.14

g) Employee Benefits:

i) Defined Contribution Plan:

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

ii) Defined Benefit Plans

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit 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 31st March 2022 by external agencies. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

iii) Defined Benefit Plans – Gratuity:

₹ Crore

Particulars	As at 31 st March 2022 Funded	As at 31 st March 2021 Funded
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	10.95	9.47
Service Cost	2.08	1.84
Interest Cost	0.74	0.64
Actuarial (gain)/loss on obligation	0.51	(0.73)
Benefits paid	(0.82)	(0.27)
Closing Balance	13.46	10.95
b. Fair Value of Plan assets:		
Opening Balance of Fair Value of Plan Assets	11.06	7.78
Expected Return on Plan assets less loss on investments	0.75	0.53
Actuarial gain / (loss) on Plan Assets	(0.15)	0.26
Employers' Contribution	0.80	2.76
Benefits paid	(0.82)	(0.27)
Closing Balance	11.64	11.06
c. Net Asset/(Liability) recognized in the Balance Sheet:		
Present Value of obligations	(13.46)	(10.95)
Fair Value of plan asset	11.64	11.06
Net Asset/(Liability) recognized in the Balance Sheet (Refer Note 12 and 22)	(1.82)	0.11
d. Expenses during the Year:		
Service cost	2.08	1.84
Interest cost	0.74	0.64
Expected Return on Plan assets	(0.75)	(0.53)
Component of defined benefit cost recognized in the statement of Profit & Loss	2.07	1.95
Component of defined benefit cost recognized in Other comprehensive income	0.66	(1.00)
e. Break up of Plan Assets as a percentage of total plan assets:		
Insurer Managed Funds – Value (99.37%)	11.59	10.99
Bank (0.63%)	0.05	0.07
f. Principal actuarial assumptions:		
Rate of Discounting	6.50%	6.8%
Rate of increase in salaries	6.0%	6.0%
Attrition Rate	14.0%	2.0%
g. Breakup of Plan Assets		
HDFC Group Unit Linked Plan - Option B	1.28	1.24
HDFC Life Stable Management Fund	1.28	1.23
HDFC Life Defensive Managed Fund	0.77	0.71
Canara HSBC OBC Life Group Traditional Plan	8.26	7.81
Bank Balance	0.05	0.07
Total	11.64	11.06

The 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 ₹ 0.80 Crore (Previous Year ₹ 2.76 Crore).

iv) Experience adjustments

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

- The Company expects to contribute 3.89 crores to its gratuity plan for the next year.
- 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 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.
- 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.
- Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of obligation after considering several applicable factors such as composition of plan assets, investment strategy, market scenario etc.

v) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

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

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same as that applied in calculating the defined benefit obligation recognised in Balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

vi) Maturity Profile of Defined Benefit Obligation

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

vii) Provident Fund:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Company's provident fund contribution, in respect to employees, is made to a government administered fund and are recognized as expenses during the period in which the employees perform the services that the payment covers.

Company's contribution to Provident Fund recognized in statement of Profit and Loss ₹ 4.68 Crore (Previous Year ₹ 4.26 Crore). (refer note 34)

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

Company's contribution to ESIC recognized in statement of Profit and Loss ₹ 0.01 Crore (Previous Year ₹ 0.02 Crore). (refer note 34)

viii) Compensated Absences

Assumptions used in accounting for compensated absences

Particulars	₹ Crore	
	As at 31 st March 2022	As at 31 st March 2021
Present value of obligation	11.05	10.99
Expense recognized in Statement of Profit or loss	1.58	4.23
Discount rate (p.a.)	6.50%	6.80%
Salary escalation (p.a.)	6.00%	6.00%

The Company has a policy on compensated absences with provisions on accumulation and encashment by the employees during employment or on separation from the Company due to death, retirement or resignation. The expected cost of compensated absences is determined by actuarial valuation performed by an independent actuary at the balance sheet date using projected unit credit method.

- ix) The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the

Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect

h) Segment reporting:

The Company is primarily in the business of manufacturing and sale of cement and cement related product. As per IND AS 108 "Operating Segments" specified under Section 133 of the Companies Act 2013, there are no other reportable business applicable to the company.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below.

a) Revenue from operations

Particulars	₹ Crore	
	For Year ended 31 st March 2022	For Year ended 31 st March 2021
Within India	4,082.87	3,402.45
Outside India	16.35	14.32
Total	4,099.22	3,416.77

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
	JSW Green Cement Private limited
3.	Enterprises under common control/ exercising significant influence with whom the company has entered into transactions during the year
	JSW Steel Limited
	JSW Energy Limited
	JSoft Solutions Limited
	JSW Power Trading Company Limited (Formerly known as JSW Green Energy Limited)
	JSW Steel Coated Products Limited
	JSW Techno Projects Management Limited
	Amba River Coke Limited
	Dolvi Coke Project Limited
	JSW International Tradecorp PTE Limited
	JSW Bengal Steel Limited
	JSW Steel (Salav) Limited

	Descon Limited
	JSW Dharamtar Port Private Limited
	JSW Global Business Solutions Limited (formerly known as Sapphire Technologies Limited)
	South-West Mining Limited
	JSW IP Holdings Private Limited
	Gopal Traders Private Limited
	JSW Foundation
	JSW Realty and Infrastructure Private Limited
	JSW Projects Limited
	JSW Severfield Structures Limited
	Tranquil Homes & Holdings Private Limited
	JSW Jaigarh Port Limited
	JSW Paints Private Limited
	JSW Structural Metal Decking
	Sajjan Jindal Family Trust
	JTPM Metal Traders Private Limited
	JSW GMR Cricket Private Limited
	JSW Bengaluru Football Club
	Epsilon Corban Private Limited
	Epsilon Advanced Materials Private Limited
	JSW Sports Private Limited
	Everbest Consultancy Service Private Limited
	JSW Processors & Traders Private Limited
	JSW Ispat Special Products Limited
	JSW Vijayanagar Mettals Limited
	Bhushan Power & Steel Limited
	JSW Structural Metal Decking Limited
	Inspire Institute of Sports
	Jindal Sanjeevani Hospital
	JSW One Distribution Limited
	Neotrax Steel Private Limited
	Sapphire Airlines Private Limited
	JSW One Platforms Limited
	Algebra Endeavour Private Limited
4	Key Managerial Personnel
	Mr. Parth Jindal (Managing Director)
	Mr. Nilesh Narwekar (Whole Time Director & CEO)
	Mr. Narinder Singh Kahlon (Director finance & Chief Financial Officer)
	Ms. Sneha Bindra (Company Secretary)
	Mr Nirmal Kumar Jain (Independent Director)
	Mr Jugal Kishore Tandon (Director)
	Mr Pankaj Kulkarni (Independent Director)
	Ms Sutapa Banerjee (Independent Director)
	Mr Kantilal Patel (Director)
	Mr Sumit Banerjee (Independent Director)

₹ Crore

B) Nature of transactions* :		
Transactions during the Year	For the year ended 31st March 2022	For the year ended 31st March 2021
Purchase of Goods/ Power & Fuel/ Services:		
JSW IP Holdings Private Limited	6.87	7.05
JSW Steel Limited	209.93	133.70
JSW Energy Limited	146.12	117.52
JSW Steel Coated Products Limited	1.45	0.23
South – West Mining Limited	0.13	0.04
JSW International Tradecorp PTE Limited	-	23.81
JSW Dharamtar Port Private Limited	4.90	9.91
JSW Power Trading Company Limited	-	6.74
Amba River Coke Limited	14.66	6.17
JSW Ispat special products Limited	0.32	0.59
JSW Global Business Solutions Limited	7.72	7.66
Shiva Cement Limited	1.01	10.61
Utkarsh Transport Private Limited	6.77	11.42
JSW GMR Cricket Private Limited	-	0.01
JSW Bengaluru Football Club	2.00	0.01
JSW Processors & Traders Private Limited	20.10	10.61
JSW Paints limited	-	1.35
JSW Cement FZE	21.28	16.51
JSW Green Energy Limited	4.59	-
Bhushan Power & Steel Limited	1.47	-
JSW Structural Metal Decking Limited	0.06	-
Inspire Institute of Sports	0.17	-
Everbest Consultancy Service Private Limited	0.08	-
Jindal Sanjeevani Hospital	0.08	-
	449.71	363.94
Lease liability repayment:		
JSW Steel Limited	2.66	2.57
JSW Bengal Steel Limited	1.62	1.54
Descon Limited	0.95	0.95
JSW Realty and Infrastructure Private Limited	0.73	0.62
Tranquil Homes & Holdings Private Limited	0.54	0.49
Shiva Cement Limited	0.01	0.01
	6.51	6.18
Lease Interest cost:		
JSW Steel Limited	0.55	0.79
JSW Bengal Steel Limited	0.80	0.84
Descon Limited	0.24	0.29
JSW Realty and Infrastructure Private Limited	0.15	0.17
Tranquil Homes & Holdings Private Limited	0.01	0.06
	1.75	2.15
Donation/ CSR expense:		
JSW Foundation	0.19	1.38
	0.19	1.38

B) Nature of transactions* :		
Transactions during the Year	For the year ended 31st March 2022	For the year ended 31st March 2021
Purchase of Assets:		
JSW Energy Limited		95.67
Shiva Cement Limited	0.12	-
	0.12	95.67
Reimbursement of expenses incurred on our behalf by:		
JSW Steel Limited	76.01	0.23
Shiva Cement Limited	8.00	--
JSW Realty and Infrastructure Private Limited	0.04	0.01
JSW Energy Limited	4.24	0.82
Tranquil Home and Holding Private Limited	0.02	0.02
	88.31	1.08
Sales of Goods / Services :		
JSW Steel Limited	161.60	119.05
JSW Steel Coated Products Limited	7.77	8.63
JSW Energy Limited	1.06	2.92
Amba River Coke Limited	0.21	0.50
Dolvi Coke Project Limited	-	-
JSW Dharamtar Port Private Limited	1.82	2.23
JSW Techno Projects Management Limited	2.84	0.03
JSW Severfield Structures Limited.	-	0.22
JSW Jaigarh Port Limited	-	0.51
JSW Projects limited	0.02	0.22
JSW Foundation	0.27	0.16
JSW Realty & Infrastructure Private Limited	2.11	3.11
Shiva Cement Limited	3.25	0.21
Gopal Traders Private Limited	0.03	0.03
Epsilon Corban Private Limited	0.41	0.13
Epsilon Advanced Materials Private Limited	-	0.00
JSW Ispat Special Products Limited	0.31	0.31
JSW Paints Private Limited	0.63	0.44
South – West Mining Limited	0.01	-
JSW Vijayanagar Mettals Limited	52.56	-
JSW Green Cement Private Limited	13.47	-
Bhushan Power & Steel Limited	0.83	-
JSW One Distribution Limited	0.08	-
Neotrax Steel Private Limited	2.01	-
	251.29	138.70
Sale of Assets:		
JSW Green Cement Private Limited	-	0.05
JSW Processors & Traders Private Limited	-	13.08
Shiva Cement Limited	0.25	0.33
	0.25	13.46
Interest income on Loan/Deposit given to		
JSW Global Business Solutions Limited	0.20	0.27
Shiva Cement Limited	24.34	15.87
JSW Cement FZE	0.11	-
JSW Sports Private Limited	29.55	28.41
Utkarsh Transport Private Limited	1.87	1.41
JSW Green Cement Private Limited	0.75	0.24

B) Nature of transactions* :		
Transactions during the Year	For the year ended 31st March 2022	For the year ended 31st March 2021
JSW Paints Private limited	-	0.08
JTPM Metal traders	1.91	1.90
Sapphire Airlines Private Limited	0.15	-
	58.58	48.18
Interest paid on loan /deposit taken from		
JSW Paints limited	-	1.16
JSW Dharamtar port Private Limited	-	0.07
South West Mining Limited	9.56	1.47
	9.56	2.70
Guarantee Commission Income:		
JSW Cement FZE	1.32	1.14
Shiva Cement Limited	0.44	-
	1.76	1.14
Recovery of expenses incurred by us on their behalf:		
JSW Energy Limited	0.11	-
JSW Bengal Steel Limited	0.27	0.40
JSW Bengaluru Football Club Private Limited	0.53	0.65
JSW Steel Limited	0.00	3.09
JSW Foundation	-	0.00
JSW Cement FZE	0.41	-
Shiva Cement Limited	0.02	0.02
Utkarsh Transport Private Limited	0.46	0.13
JSW Green Cement Private Limited	3.22	0.19
	5.02	4.48
Purchase of Equity Share:		
JSW Cement FZE	22.35	-
JSW One Platforms Limited	6.72	-
Shiva Cement Limited	-	13.30
JSW Energy Limited (Change in Fair Valuation)	55.47	-
	84.54	35.93
Guarantee provided by Company on behalf of:		
JSW Cement FZE	72.03	580.47
Shiva Cement Limited	1,066.00	-
	1,138.03	580.47
Investment:		
Algebra Endeavour Private Limited (Zero Coupon Compulsory Convertible Debentures)	78.73	-
Everbst Consultancy Service Private Limited*	-	100.00
	78.73	100.00
Deposit given		
JSW Realty and Infrastructure Private Limited	1.18	1.29

B) Nature of transactions* :		
Transactions during the Year	For the year ended 31st March 2022	For the year ended 31st March 2021
Sapphire Airlines Private Limited	3.00	-
	4.18	1.29
Deposit received back		
JSW Bengal Steel	0.28	0.25
	0.28	0.25
Loan Taken		
JSW Paints Limited	-	60.00
JSW Dharamtar Port Private Limited.	-	15.00
South West Mining Limited	-	80.00
	-	155.00
Loan repaid		
JSW Paints Limited	-	60.00
JSW Dharamtar Port Private Limited.	-	15.00
South West Mining Limited	30.00	
	30.00	75.00
Investment redemption:		
JSW Sports Private Limited	12.50	13.50
	12.50	13.50
Loan given		
Shiva Cement Limited	251.93	57.84
Utkarsh Transport Private Limited	36.04	12.90
JSW Green Cement Private Limited	2.26	4.57
JSW Paints limited	-	7.50
JSW Cement FZE	11.37	-
	301.60	82.81
Loan given- received back		
JSW Global Business Solutions Limited	1.84	0.59
Shiva Cement Limited	-	65.35
Utkarsh Transport private limited	19.30	-
JSW Paints limited	-	7.50
JSW Green Cement Private Limited	2.00	
Jindal Steel & Power Limited	1.66	-
	24.80	73.44

* Amount excludes duties and taxes

Compensation to Key Management Personnel

₹ Crore

Nature of transaction	FY 2021-22	FY 2020-21
Short-term employee benefits	13.34	10.03
Sitting fees	1.14	0.44
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	14.48	10.47

1. The Company has accrued ₹ 1.13 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.
2. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

Terms and Conditions

Sales:

The sales to related parties are in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31st March 2022, the Company has not recorded any loss allowances of trade receivable from related parties.

Purchases:

The purchases from related parties are in the ordinary course of business. Purchase transactions are based on normal commercial terms and conditions and market rates.

Loan to Related Party:

a) Loan to subsidiary –

The Company had given loans to subsidiaries for general corporate purposes. The loan balances as at March 31, 2022 was Amounting ₹ 450.32 crores. These loans are unsecured and carry an interest rate 9.00%- 9.75% per annum.

b) Loans to other related parties-

The Company had given loans to other related parties for general corporate purposes. The loan balances as at March 31, 2022 was Amounting ₹ 20.00 crores. These loans are unsecured and carry an interest rate 9.5% per annum.

Lease Rent paid to Related Party:

For Vijayanagar Plant-

Lease rent paid to JSW Steel Limited Vijaynagar works towards construction on lease land under sub-lease agreements, for 150 Acres of land situated at Tornagallu village, District Bellary Karnataka at an annual rent of ₹0.60 Crore.

For Dolvi Plant-

Lease rent paid to JSW Steel Limited, Dolvi Works towards construction, for 20.55 Acres of land situated at Dolvi, District Raigad, Maharashtra at an annual rent of ₹ 2.06 Crore.

The Company had entered into arrangement with JSW Bengal Steel Limited to take on rent Guest House & accommodation facility for business purpose amounting to ₹ 1.62 crores for period of 10 years, renewable at option of both the parties.

The Company had entered into arrangement with JSW Realty Infrastructure Private Limited for period of 25 years to take on rent accommodation facility for business purpose in its integrated township amounting to ₹ 0.73 Crores, renewable at option of both the parties.

₹ Crore

C) Closing balances:		
Particulars	As at 31 st March 2022	As at 31 st March 2021
Trade Payables:		
JSW Steel Limited	44.11	6.20
JSW Energy Limited	16.49	31.96
South West Mining Limited	0.02	-
Amba River Coke Limited	9.20	4.15
JSW Power Trading Company Limited	-	0.48
JSW Global Business Solutions Limited	-	2.86
JSW IP Holding Private Limited	2.69	5.24
JSW Dharamtar Port Private Limited	2.48	1.07
JSW Processors & Traders Private Limited	2.08	-
Utkarsh Transport private Limited	1.65	-
Shiva Cement Limited	0.54	0.16
JSW Realty and Infrastructure Private Limited	0.61	-
JSW Ispat Special Products Limited	0.03	-
Tranquil Homes & Holding Private Limited	0.05	-
JSW Steel Coated Products Limited	-	0.27
JSW Foundation	0.01	0.36
JSW International Tradecorp PTE Limited	-	-
Descon Limited	0.09	-
JSW Cement FZE	-	2.25
JSW Bengal Steel Limited	-	0.10
Inspire Institute of Sports	0.06	-
	80.11	55.10
Security and other deposits given		
JSW Bengal Steel Limited	2.00	2.25
JSW IP Holdings Private Limited	0.10	0.10
JSW Steel Limited	104.95	10.32
JSW Realty and Infrastructure Private Limited	4.46	3.27
Sapphire Airlines Private Limited	3.00	-
	114.51	15.94
Advances Given		
JSW Steel Coated Products Limited	0.09	0.04
JSW Ispat Special Products Limited	0.08	0.37
JSW Power Trading Company Limited	0.62	0.59
Descon Limited	0.01	0.01
JSW Foundation	-	0.39
JSW Bengaluru Football Club Private Limited	0.50	0.73
JSW Green Energy Limited	0.32	0.32
JSW Processors & Traders Private Limited	2.11	0.03
JSW Structural Metal Decking Limited	-	0.02
Utkarsh Transport Private Limited	4.31	0.77
JSW Steel Limited	23.51	3.90
Bhushan Power & Steel Limited	0.64	-
JSW Energy Limited	4.82	-
JSW STEEL (USA) INC.	0.72	0.72
JSW Steel USA Ohio, Inc.	0.72	0.72

C) Closing balances:		
Particulars	As at 31st March 2022	As at 31st March 2021
	38.45	8.69
Trade Receivables:		
JSW Steel Limited	121.78	53.56
JSW Steel Coated Products Limited	1.82	2.67
Amba River Coke Limited	0.45	0.98
JSW Techno Projects Management Limited	0.57	0.03
JSW Dharamtar Port Private Limited	0.39	2.06
JSW Foundation	-	0.07
JSW Realty and Infrastructure Private Limited	2.27	1.55
JSW Severfield Structures Limited	0.11	0.11
Gopal Traders Private Limited	0.01	0.01
JSW Projects Limited	0.08	0.48
JSW Energy Limited	3.23	3.28
JSW Green Cement Private Limited	7.68	0.06
JSW Processors & Traders Private Limited	-	9.43
JSW Paints Private Limited	0.05	0.08
Shiva Cement Limited	11.19	0.42
JSW Ispat Special Products Limited	0.01	-
Neotrex Steel Private Limited	0.20	-
JSW One Distribution Limited	0.03	-
JSW Vijaynagar Metallica	20.08	-
	169.95	74.79
Advance received from customers		
Dolvi Coke Project Limited	0.20	0.20
Epsilon Corban Private Limited	0.14	0.03
Epsilon Advanced Materials Private Limited	0.01	0.01
JSW Foundation	0.04	-
JSW Techno Projects Management Limited	0.01	-
	0.40	0.24
Other Receivables		
JSW Steel Limited	10.58	11.38
JSW Cement FZE	1.44	0.72
JSW Green Cement Private Limited	0.003	1.98
JSW Dharamtar Port Private Limited	0.50	-
Monnet Ispat & Energy Limited	0.58	-
	13.103	14.08
Lease Liability:		
JSW Steel Limited	3.22	5.33
JSW Bengal Steel Limited	8.09	8.62
Descon Limited	2.07	2.73
JSW Realty and Infrastructure Private Limited	1.40	1.66
Tranquil Homes & Holdings Private Limited	-	0.43
	14.78	18.77
Guarantee provided by Company on behalf of:		
JSW Cement FZE	652.50	580.47

C) Closing balances:		
Particulars	As at 31st March 2022	As at 31st March 2021
Shiva Cement Limited	1,066.00	-
Loan given		
JSW Global Business Solutions Limited	-	1.84
Shiva Cement Limited	393.69	141.75
Utkarsh Transport Private limited	38.38	21.63
JSW Cement FZE	11.38	-
JTPM Metal Trader Private Limited	20.00	20.00
JSW Green Cement Private Limited	6.88	6.62
Monnet Ispat & Energy Limited	25.12	-
	495.45	191.84
Loan taken		
South West Mining Limited	50.00	80.00
Interest receivable on Investment in Debenture		
JSW Sports Private Limited	54.13	25.97
Interest Payable on Loan Availed		
South West Mining Limited		1.36
JSW Paints Limited	0.02	0.02
	0.02	1.38
Interest receivable on Loan given		
Utkarsh Transport Private Limited	1.68	1.96
JSW Global Business Solutions Limited	-	0.25
Shiva Cement Limited	6.88	44.98
JSW Cement FZE	0.11	2.99
JTPM Metal Trader Private Limited	1.71	1.78
JSW Green Cement Private Limited	0.17	0.25
Monnet Ispat & Energy Limited	2.47	2.47
Sapphire Airlines Private Limited	0.13	-
	13.15	54.68

1. The Closing balance of guarantees provided by the Company on behalf of Subsidiaries represent the gross amount. Please refer note 39 n for net exposure of the Company related to financial guarantees. The differential amount represents loans not drawn or repayments made to the lenders.
2. The transactions are disclosed under various relationships based on the status of related parties on the date of transactions.

j) Remuneration to Auditors

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

k) **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**

₹ Crore

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Profit attributable to equity holders of the Company:	324.39	257.85
Profit attributable to equity holders of the Company for basic earnings	324.39	257.85
Profit attributable to equity holders of the Company adjusted for the effect of dilution	324.39	257.85

ii. **Weighted average number of Equity shares**

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

iii. **Effect of Dilution**

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

iv. **Basic and Diluted earnings per share**

Amount in ₹

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Basic earnings per share: (i/ii)	3.29	2.61
Diluted earnings per share: (i/iii)	3.29	2.61

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

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

₹ Crore

Particulars	As at 31 st March 2022	As at 31 st March 2021
Amount required to be spent as per Section 135 of the Act	5.45	3.52
Amount spend during the year on:		
(i) Construction / acquisition of an asset		-
(ii) On purpose other than (i) above	5.23	4.88
Shortfall at the end of the year	-	-
Total	5.23	4.88
Nature of CSR activities	1. Improving living conditions 2. Promoting social development 3. Rural development projects 4. Swachha Bharat Abhiyan 5. Addressing social inequalities 6. Promotion of sports	
Amount unspent, if any	0.22	
Details of related party transactions	Donation paid to JSW Foundation, a related party in relation to CSR expenditure	

m) Corporate Guarantee

The Company has issued corporate guarantee to bank on behalf of and in respect of loan facilities availed by subsidiaries.

Terms of the Guarantee

Unconditional and Irrevocable Corporate Guarantee is issued by Company in favour of lender Indusind Bank Limited as a security towards credit facility provided to subsidiary JSW Cement FZE (Borrower) along with interest, liquidated damages, costs, charges, expenses and all other monies whatsoever payable by Borrower. Of the total amount of Guarantee provided, ₹ 510.53 crore (Previous Year: ₹ 493.16 crores) is utilized against loan drawn (refer note 39 (i))

Unconditional and irrevocable corporate guarantee is issued by the Company in favor of Axis Trustee Services Limited (as the Security Trustee) towards Rupee Term Loan availed by the subsidiary Shiva Cement Limited (Borrower) from various banks (viz. Axis Bank, Bank of Maharashtra, Punjab National Bank, Indian Bank, and Bank of India) (Lenders) along with interest, liquidated damages, costs, charges, expenses, and all other monies whatsoever payable by the Borrower.

Of the total amount of Guarantee provided 309.34 crore is utilized against loan drawn.

Refer below for details of corporate guarantee issued:

₹ Crore

Particulars	As at 31 st March 2022	As at 31 st March 2021
Guarantees, JSW Cement FZE	652.50	580.47
Guarantees, Shiva Cement Limited	1,066.00	-

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

₹ Crore

Particulars	Party	2021-22		2020-21	
		Max amount O/s during the year	Closing Balance	Max amount O/s during the year	Closing Balance
Loan given	Utkarsh Transport Private Limited	38.38	38.38	21.63	21.63
	JSW Global Business Solutions Private Limited	1.84	-	2.42	1.84
	JTPM Metal Traders Private Limited	20.00	20.00	20.00	20.00
	Monnet Ispat & Energy Limited	25.12	25.12	25.12	25.12
	Jindal Steel and Power Limited	1.66	0.00	20.37	1.66
	JSW Green Cement Private Limited	8.88	6.88	6.62	6.62
	JSW Cement FZE	11.37	11.37	-	-
	Shiva Cement Limited	393.69	393.69	244.60	141.75
	Niwas Residential & Commercial Properties Private Limited	70.30	70.30		
Total		-	565.74	-	218.62
Investments	JSW Energy Limited	78.60	-	-	23.13
	Shiva Cement Limited – Preference shares	100.00	-	-	100.00
	Shiva Cement Limited	187.55	-	-	179.12
	Everbest Consultancy service Private Limited.	96.86	-	-	100.00
	JSW Sports Private Limited	283.00	-	-	295.50
	JSW Green cement private Limited	0.01	-	-	0.01
	Utkarsh Transport Private Limited	1.01	-	-	1.01
	JSW Cement FZE	228.48	-	-	206.13
	JSW One Platforms Limited	6.72	-		
	Algebra Endeavour Private Limited -Debenture	78.73	-		
Total		1,060.96	-		904.90
Guarantees	JSW Cement FZE	652.50	-	-	580.47
	Shiva Cement Limited	1,066.00	-		
Total		1,718.50	-		580.47

Details of investment made by the Company are given under note 7 and 8.

o) Other statutory information:

- (1) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (2) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- (3) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (4) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (5) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (6) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (7) The Company is not declared wilful defaulter by and bank or financial institution or lender during the year.
- (8) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (9) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- (10) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- (11) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- (12) The Company does not have any transactions with companies which are struck off

p) Financial Ratios

Particulars	Numerator	Denominator	31 st March 22	31 st March 21	Variance (%)	Change in ratio in excess of 25% compared to preceding year
Current Ratio (times)	Current Assets	Current Liabilities	1.09	0.67	62%	Improvement on account of Short term loan repayment
Debt Equity Ratio (times)	Total Borrowings (i.e. Non-current borrowings + Current borrowings)	Total Equity	1.81	1.55	17%	
Debt service coverage ratio (times)	Profit before tax + Depreciation and amortisation expenses + interest on term loans and debenture + Adjustment for non-cash expense and income	Scheduled principal term loans repaid and interest thereon (i.e. excluding prepaid and debt refinanced) + Finance lease liability and interest thereon.	1.13	1.34	-16%	
Return on Equity (%)	Net profit after tax	Average Net worth	17%	16%	4%	
Inventory Turnover ratio (Days)	Average Inventory	Manufacturing cost (including Raw material, power & fuel, and manufacturing overheads)	47	68	-30%	Improvement is on account optimisation of inventory
Debtors Turnover ratio (Days)	Average Trade Receivables	Revenue from operations	57	51	11%	
Trade Payable turnover ratio (Days)	Average Trade payables	Cost of goods sold	79	107	-26%	Improvement is on account better payment cycle followed
Net Capital Turnover ratio (times)	Revenue from operations	Working capital (current assets – current liabilities)	24.27	-4.53	-635%	Improvement is on account liabilities settled during the year
Net Profit Margin Ratio (%age)	Net profit for the year	Total Income	8.0%	7.7%	4%	
Return on Capital Employed (%)	Profit before tax plus Interest expense and adjustment for non cash income	Total Asset minus Current & non Current Liabilities and Intangible Assets	38.0%	39.6%	-4%	

- q) Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April, 2021.

As per our attached report of even date

For HPVS & Associates

Chartered Accountants

F.R.N. 137533W



Vaibhav L Dattani

Partner

Membership No.: 144084

UDIN: 22144084AMCOFR1264

Place: Mumbai

Date: 4th May, 2022

For and on behalf of the Board of Directors

Nirmal Kumar Jain

Chairman

DIN: 00019442

Nilesh Narwekar

Whole-Time Director & CEO

DIN: 06908109

Sneha Bindra

Company Secretary

Parth Sajjan Jindal

Managing Director

DIN: 06404506

Narinder Singh Kahlon

✓ **Director Finance & Commercial**

DIN: 03578016