BOARD'S REPORT

Dear Shareholders,

The Board of Directors of your Company take pleasure in presenting the 14th Annual Report together with Audited Financial Statements of the Company for the financial year ended March 31, 2020.

1. Financial Performance & highlights of operations

The performance of the Company as reflected by its Audited Accounts for the Financial Year ended March 31, 2020 is summarized below:

(Rs in Lakhs)

Particulars	**F.Y. 2019-20**	**F.Y. 2018-19**
Total Income	62,506.94	79,138.34
Total expenses	61,251.46	52,663.60
Profit before exceptional items and tax	1,255.48	26,474.74
Exceptional items	-	-
Profit before tax	1,255.48	26,474.74
Tax expense:		
(a) Current tax	7,324.53	11,894.60
(b) Deferred tax	(8,574.58)	(5,726.13)
Total tax expense	**(1,250.05)**	**6,168.47**
Profit for the year	**2,505.53**	**20,306.27**
Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss Equity instruments through other compressive income	(0.98)	1.21
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.11	(0.62)
B (i) Items that will be reclassified to profit or loss Re- Measurement of the defined benefit plans	5.00	8.18
(ii) Income tax relating to items that will be reclassified to profit or loss	(1.75)	(2.86)
Total other comprehensive income for the year (A+B)	2.38	5.91
Total Comprehensive Income for the year	**2,507.91**	**20,312.18**

**previous year figures have been regrouped/rearranged wherever necessary.*

2. Dividend

The Board of Directors of your Company has not recommended any dividend for the year under review.

3. Reserves

As the company has not proposed any dividend, the entire amount is being transferred to Reserves and Surplus.

4. Revision of Financial Statement

There was no revision of the financial statements for the year under review.

5. Disclosures under section 134(3)(1) of the Companies Act, 2013

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

6. Project and Expansion Plans

During the year under review, the CDQ plant and CPP plant were running almost at planned capacity, whereas, DRI plant was running at 68% capacity.

7. Holding and Subsidiary Company

The equity shares of the Company are held by Mr. Sajjan Jindal and Mrs. Sangita Jindal, as Trustee of Sajjan Jindal Family Trust, along with their nominees. The Company does not have any holding, subsidiary or associate companies as on March 31, 2020.

8. Share Capital

During the year, there was no change in the Share Capital of the Company. As on March 31, 2020, the Authorised Share Capital of your Company, stands at Rs. 550,00,00,000 divided into 55,00,00,000 Equity Shares of Rs. 10 each, whereas the Issued, Subscribed and Paid-up Share Capital of the Company stand at Rs. 1,00,00,000 divided into 10,00,000 Equity Shares of Rs.10 each.

a) **Disclosure under Section 43(a)(ii) of the Companies Act, 2013**
The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

b) **Disclosure under Section 54(1)(d) of the Companies Act, 2013**
The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

c) **Disclosure under Section 62(1)(b) of the Companies Act, 2013**
The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

d) **Disclosure under Section 67(3) of the Companies Act, 2013**
During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

9. Debentures

During the year on March 20, 2020, your Company redeemed the 2000 Non-Convertible Debentures of Series A and 167 Non-Convertible Debentures of Series B along with redemption premium. As on March 31, 2020, the total outstanding Non-Convertible Debentures amounts to Rs.433.30 crores, the details of which are hereunder:-

Particulars	4,333 (Four Thousand Three Hundred and Thirty Three) Rated, Listed, Zero Coupon, Redeemable, Non-Convertible Debenture	
Series	Series B	Series C
Debentures (Nos.)	1833	2500
Paid-up Value (Rs. in crores)	183.30	250.00
Redemption Date	October 5, 2020	February 4, 2021
Debenture Trustee	IDBI Trusteeship Services Limited	

The said NCDs are listed on the Wholesale Debt Market (**WDM**) Segment of BSE Limited.

10. Board of Directors

a) Composition & Constitution of Board of Directors: -

During the year under review, Mr. Ashok Kumar Jain (DIN: 02734338) and Dr. Rakhi Jain (holding DIN: 07138042) who were appointed as an Independent Directors on March 26, 2015, completed their tenure as Independent Director, of five years, on March 26, 2020. The Board, considering their vast experience and valuable contribution in the performance of the Board, re-appointed them as Independent Director for another term of five years upto March 27, 2025. As on March 31, 2020 the Board of your Company comprises of following 4 Directors out of which two are Independent Directors.

- Mr. Nagendra Kumar Paladugu, Whole-time Director
- Mr. Vineet Agrawal, Director
- Mr. Ashok Kumar Jain, Independent Director
- Dr. Rakhi Jain, Independent Director

Further, according to the provisions of Section 152(6) the Companies Act, 2013 and the Articles of Association of the Company, Mr. Vineet Agrawal, Director, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible have offered himself for reappointment.

b) Board Meeting & Attendance:

During the year under review, the Board of your company met Six (6) times on May 22, 2019; July 25, 2019; August 20, 2019; November 5, 2019; January 21, 2020 and March 4, 2020. The details of Meeting attended by each director is as below: -

Sr. No.	Name of Director	No. of Meeting held during tenure	No. of Meeting attended
1	Mr. Vineet Agrawal	6	6
2	Mr. Ashok Kumar Jain	6	1
3	Dr. Rakhi Jain	6	3
4	Mr. Nagendra Kumar Paladugu	6	5

c) Declaration by Independent Directors

Based on the declarations / disclosures received from Mr. Ashok Kumar Jain and Dr Rakhi Jain, Non-Executive Directors on the Board of the Company and on the basis of evaluation of the relationships disclosed, the said directors are independent in terms of Section 149(6) of the Companies Act, 2013.

11. Evaluation of the Board

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

i. Attendance of Board Meetings and Board Committee Meetings
ii. Quality of contribution to Board deliberations
iii. Strategic perspectives or inputs regarding future growth of Company and its performance
iv. Providing perspectives and feedback going beyond information provided by the management
v. Commitment to shareholder and other stakeholder interests

The Board has carried out the Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees. The Directors expressed their satisfaction with the evaluation process.

12. Key Managerial Personnel

During the year under review, there has been no change in the Key Managerial Persons.

13. Committees of Board

In accordance with the provisions of the Companies Act, 2013 read alongwith the rules framed thereunder, during the year under review, the Board constituted following committees: -

a) Audit Committee
b) Nomination & Remuneration Committee
c) Corporate Social Responsibility Committee

The details of all the Committee along with their charters, composition and meetings held during the year are provided as below: -

a) **Audit Committee: -**

Composition & Meeting

The roles and responsibilities of the Audit Committee are as enumerated in the terms of reference approved by the Board and as stated in the Companies Act, 2013. The Committee apart from other things is inter-alia responsible for the internal control system and vigil mechanism system of the Company and the policy framed thereunder.

During the year under review, there was no change in the composition of the Committee. As on March 31, 2020, the Committee comprises of following members. During the year Committee Members met three times i.e. on May 22, 2019; August 20, 2019 and November 5, 2019 and were attended by members as detailed below:

No.	Name of Member	Designation	Meeting held during tenure	Meeting Attended
1	Mr. Vineet Agrawal	Chairman	3	3
2	Mr. Ashok Kumar Jain	Member	3	0
3	Dr. Rakhi Jain	Member	3	3

Internal Control System

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company have appointed Internal Auditor pursuant to the provisions of Section 138 of the Companies Act, 2013 read alongwith the rules framed thereunder and reports to the Audit Committee of the Company. The Internal Auditor and the Audit Committee are responsible for monitoring and evaluating the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies and its subsidiaries. Based on the evaluation and the reports submitted by the Internal Auditor, corrective actions in the respective areas are taken thereby strengthening the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Risk and areas of Concern

The Company has laid down a well-defined risk management mechanism to mitigate the risks and has also adopted a policy in this regard in line with the requirement of the Companies Act, 2013. The said policy inter-alia covers identification and access to the key risks areas and monitors the areas in order to take corrective measure at appropriate time. The overall objective of the policy is to improve awareness of the Company's risk exposure and appropriately manage it.

Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, the Company has adopted a Policy for establishing a vigil mechanism for directors and employees of the Company to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's policy. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee.

b) **Nomination & Remuneration Committee**

The Nomination & Remuneration Committee comprises of following members:

- Mr. Vineet Agrawal – Chairman
- Mr. Ashok Kumar Jain – Member
- Dr. Rakhi Jain – Member

The roles and responsibilities of the Nomination & Remuneration Committee are as enumerated in the terms of reference approved by the Board and as stated in the Companies Act, 2013. As required under the Act, the Committee has formulated two policies i.e. (i) Nomination Policy and (ii) Remuneration Policy primarily covering.

Nomination Policy:

The primary objective of the Nomination Policy is to provide a frame work and set standards that is consistent with the provisions of sections 149, 178 and other applicable provisions of the Companies Act, 2013 for the appointment of persons to serve as Director on the Board of the Company and for the appointment of the KMP/ Senior Management of the Company, who have the capacity and ability to lead the Company towards achieving sustainable development. All candidates shall be accessed on the basis of the merit, related skill and competencies. There should be no discrimination on the basis of religion, caste, creed or sex.

Remuneration Policy:

In terms of Section 178 of the Companies Act, 2013, as amended from time to time, the Nomination and Remuneration committee shall recommend to the Board a policy relating to the Remuneration of Directors, Key Managerial Personnel and other Employees. Remuneration is linked to Company's performance, individual performance and such other factors considered relevant from time to time. The Executive Directors (EDs) compensation are paid compensation as per the agreement entered into between them and the Company subject to approval of the Board and of the members of the Company in General Meeting and such other approval as the case may be. The Non-Executive Directors are paid remuneration by way of sitting fees and commission.

During the year under review, there was no change in the composition of the Committee and the Committee Members met only once on May 22, 2019. The Meeting was attended by all the Members except Mr. Ashok Kumar Jain.

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

The Corporate Social Responsibility Committee comprises of following members:

- Mr. Vineet Agrawal – Chairman
- Mr. Nagendra Kumar Paladugu – Member
- Dr. Rakhi Jain – Member

The roles and responsibilities of the Corporate Social Responsibility Committee are as enumerated in the terms of reference approved by the Board and as stated in the Companies Act, 2013. The Corporate Social Responsibility Policy of the Company and the details of the development of the CSR Policy and initiatives taken by the Company on Corporate Social Responsibility during the year are appended separately as **Annexure 1 & 2** to this Board Report. The Committee Members met only once on May 22, 2019 which was attended by all the Members.

14. Auditors

a) **Statutory Auditors**

The Members of the Company at their Annual General Meeting held on December 28, 2017, had appointed M/s. HPVS & Associates, Chartered Accountants, as Statutory Auditors of the Company to hold the office upto the conclusion of 16^{th} Annual General Meeting.

The report of the Auditors along with notes to Schedules forms part of this Annual Report. The observations made by the Auditors in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

b) **Secretarial Auditors**

The provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandate the Company to obtain a Secretarial Audit Report from a Practicing Company Secretary. Mr. Prashant S. Mehta, Practicing Company Secretary, have been appointed to issue Secretarial Audit Report for the financial year 2019-20. The Secretarial Audit Report issued by Mr. Prashant S. Mehta, Practising Company Secretary, in Form MR-3 for the financial year 2019-20 is attached as **Annexure 3** to this report.

The observations made by the Auditors in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

c) **Cost Auditors**

In terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Mr. B. V. Sreenivasa, Cost Accountant, was appointed as Cost Auditors of the Company for the Financial Year 2019-20. As required under the Act, the Board of Director have approved the remuneration payable to Cost Auditor of the Company and resolution seeking ratification of the same is incorporated in the notice of the ensuing Annual General Meeting.

15. Related party transactions

The transactions entered into with the Related Parties are in ordinary course of business and on arm's length basis. The details of contracts or arrangement as prescribed in Form AOC-2 is attached as **Annexure 4**

16. Particulars of loans, guarantees or investments under section 186:

As required the details of the loans, guarantees or investment made under the provisions of Section 186 of the Companies Act, 2013 is attached as **Annexure 5.**

17. Extract of Annual Return

Pursuant to provisions of Section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is Annexed as **Annexure 6.**

18. Significant and material orders passed by the regulators

There were no orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations.

19. Fixed Deposits

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

20. Particulars of Employees

The details of the employee(s) as required pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read along with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure 7.**

Further, the Company follows an Anti-Sexual Harassment JSW Group Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Directors stated that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 related to the Company.

21.Conservation of energy, technology absorption and Foreign exchange earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure 8**.

22.Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

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

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

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

d) the directors had prepared the annual accounts on a going concern basis; and

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

23.Appreciation

Your Directors would like to express their appreciation for co-operation and assistance received from Government authorities, financial institutions, banks, vendors, customers, shareholders and other business associates during the year under review. The Directors also wish to place on record their deep sense of appreciation for the committed services by all the employees of the Company

For and on behalf of the
Board of Directors of JSW Projects Limited

P. Nagendra Kumar	**Vineet Agrawal**
Managing Director	**Director**
DIN:- 08010964	**DIN:- 02027288**

Mumbai, June 24, 2020

ANNEXURE 1

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Act & the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of the projects or programs proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programs: -
   Kindly refer the Corporate Social Responsibility Policy, forming part of this Annual Report.

2. The composition of the CSR Committee: -
   The Corporate Social Responsibility Committee of the Company constitutes of the following Members as on March 31, 2020: -
   - **Mr. Nagendra Kumar Paladugu (Whole-time Director)**
   - **Mr. Vineet Agrawal (Director)**
   - **Dr. Rakhi Jain (Independent Director)**

3. Average Net Profit of the company for last 3 financial years: - **Rs. 25,855.18 lakhs.**

4. Prescribed CSR expenditure (2% of amount): - **Rs. 517.10 lakhs.**

5. Details of CSR activities/projects undertaken during the year:
6. total amount to be spent for the financial year: - **Rs. 520.00 lakhs.**
   a) amount un-spent, if any:
   b) manner in which the amount spent during financial year, is detailed below:

(Rs in lakhs)

1	2	3	4	5	6	7	8
Sr	CSR project/ activity identified	Sector in which the Project is covered	Projects / Programs 1. Local area or others- 2. specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the project or programs Sub-heads: 1. Direct expenditure on project or programs. 2. Overheads:	Cumulative spend upto to the reporting period	Amount spent: Direct or through implementing agency*
1.	SNCU, Mother & Child care unit	For Improving Living Condition & Social Development	Vijayanagar, Bellary, Karnataka	100.15	100.15	294.47	**Direct/ Implementing Agency**
2.	Support Against COVID -19	Health	Mumbai	100	100	100	
3.	K. J. Somaiya College	Promoting Social Development	Mumbai	7.5	7.5	15	
4.	Skill Developme	For Promoting Social	Mumbai, Vasind & Pen	149.59	149.59	416.40	

	nt	Development					
5.	Mumbai Central Ladies Toilet Construction & Maintenance	Swatch Bharat Abhiyan	Mumbai	17.76	17.76	45.07	
6.	Promotion of Sport at Inspire Institute of Sports	Sports Training & Development	Bengaluru, Karnataka	125.00	125.00	311.62	
7.	5% Capacity Building Cost	Project Management Cost	Mumbai	20.00	20.00	54.00	**Direct/ Implementing Agency**

**Give details of implementing Agency.*

7. In case the company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount in its Board Report: **NA**

8. A responsibility statement by the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the
Board of Directors of JSW Projects Limited

P. Nagendra Kumar	**Vineet Agrawal**
Managing Director	**Director**
DIN:- 08010964	**DIN:- 02027288**

Mumbai, June 24, 2020

Annexure 2

CORPORATE SOCIAL RESPONSIBILITY POLICY

JSW PROJECTS LIMITED (‘**JSWPL**’) is part of a $11 billion conglomerate, the JSW Group (‘**The Group**’) which is a part of the O.P. Jindal Group. The Group has set up business facilities in various core sectors of India. The Group is exploring innovative and sustainable avenues in steel, energy, infrastructure and cement for growth. The Group is paving the way for India’s development.

Expansions, up-gradations and technological innovations are a way of life at the Group and is committed to develop vibrant communities along the way.

The JSW Group is committed to creating more smiles at every step of the journey. JSW Foundation, the Group’s social development arm is in constant pursuit of making life better for communities with its various initiatives in the fields of health, education, livelihood and sports along with art and culture.

The Group’s zero effluent plants, green townships and happy employees are changing the course of the nation with their spirited growth. The Group is proud to be charting a course to excellence that creates opportunities for every Indian and leads to the creation of a dynamic and developed nation.

The Group believes in inclusive growth to facilitate creation of a value-based and empowered society through continuous and purposeful engagement of society around.

The Group firmly believes in strengthening the social capital. It has adopted a **Corporate Social Responsibility Policy** where it strives to address the issues related from antenatal stage of life up to the reproductive age of 45 years in theme ‘**Janam se Janani Tak, JSW Aap ke Saath**’ through a process of social inclusion.

JSWPL is committed to:

- Allocate 2% of its average Net Profits made during the three immediately preceding financial years towards Corporate Social Responsibility as per the categories mentioned in the Schedule VII of the Companies Act 2013
- Transparent and accountable system for social development and conducting periodic assessments
- Concentrate on community needs and perceptions through social processes and related infrastructure development
- Provide special thrust towards empowerment of women through process of social inclusion
- Spread the culture of volunteerism through the process of social engagement.

FOCUS:

JSW Projects Limited has decided to focus on the complete life cycle approach where women shall be empowered in such a way that they become strong positive force of change. Specific interventions are recommended as below:

- Efficient maternal and child health care services
- Enhance access to improved nutrition services
- Early childhood education/ pre-primary education
- Completion of primary and secondary education
- Access to adolescent reproductive and sexual health and rights
- Enhancing the output of present occupation
- Employability and vocational education
- Responsible parenthood

STRATEGY:

JSW Projects Limited allocate at least 2% of its average Net Profits made during the three immediately preceding financial years for the planning and implementation of CSR. All the CSR initiatives are approved by the committee and the same are reviewed periodically. Taking a note of the importance of synergy and interdependence at various levels, JSW Projects Limited would adopt a strategy for working directly or in partnership, wherever appropriate.

- Priority to be given to the areas in the immediate vicinity of the registered office and corporate office of the Company.
- All the interventions would be formulated based on need assessment using different quantitative and qualitative methods
- All the interventions would be adopted based on concurrent evaluation and knowledge management through process documentation
- Social Mobilization, advocacy at various levels, and/or appropriate policy changes would form part of the interventions in each sector

INTERVENTIONS:
In line with the approach and strategy, JSWPL plans interventions in the field of health, education, livelihood, vocational education, women empowerment, environment sustainability and responsible citizenship. The key thematic interventions as per the Schedule VII of the Companies Act 2013 include:

1. **IMPROVING LIVING CONDITIONS (ERADICATING HUNGER, POVERTY, MALNUTRITION, ETC.):**
   JSW Projects Limited is a JSW Group Company, a part of O.P. Jindal Group. JSW Group as per its commitment to the local development and nation building has initiated various projects. Major projects planned under this theme over next three years include:
   (a) Soil and water conservation
   (b) Enhancement of crop productivity and crop diversification
   (c) Livestock management
   (d) Complimenting government schemes such as ICDS- Integrated Child Development Scheme and NRHM – National Rural Health Mission (ANC, PNC, Immunization)
   (e) Entitlements- Facilitating access to government schemes
   (f) Linkages with the existing government schemes/ programs such as MNRAREGA, PURA Model - Providing Urban Amenities in Rural Area model
   (g) Tracking of pregnancy and child birth
   (h) Screening of women for disease such as cancer, hypothyroidism, bone density, etc.
   (i) Improvement of the infrastructure of Primary Health Centre
   (j) Awareness generation at the community level
   (k) Establishment of Voluntary Counselling and Testing Centre (VCTC)
   (l) Drop-in centre (Targeted intervention)
   (m) Sexually Transmitted Infections(STI)/Reproductive Tract Infection(RTI)
   (n) Trauma care services
   (o) Preventive measure to reduce the incidences of disease
   (p) Reduction of incidences of breast cancer among women in the neighbourhood areas.
   (q) Building a cadre of para-medical workers
   (r) Emergency preparedness for vector-borne disease

2. **PROMOTING SOCIAL DEVELOPMENT (PROMOTING EDUCATION, SKILL DEVELOPMENT, LIVELIHOOD ENHANCEMENT, ETC.):**
   Education is the basis for improving the quality of life of people. Taking a note of this, JSW Projects / JSW Group both independently and; in partnership with local government and civil societies has undertaken various programs. Along with this, enhancing the productivity of available workforce through engaging the youth with appropriate employability skills and assuring sustainable livelihoods continues as one of the top priority. The activities planned under this theme include:
   (a) Improving the infrastructure of local schools
   (b) Training of teachers

(c) Establish computer aided learning centre(CALC)
(d) Complimenting Mid-day meal program
(e) Remedial classes for children with slow learning
(f) Life skill education, leadership and motivation of children
(g) Institution based education program for children with different abilities
(h) Create opportunities for access to higher education
(i) Plant operation & Maintenance
(j) Technical knowhow and do-how
(k) Rural BPO
(l) Adoption of ITIs' (Industrial Training Institutes)
(m) Market driven enterprises

3. **ADDRESSING SOCIAL INEQUALITIES (PROMOTING GENDER EQUALITY, WOMEN EMPOWERMENT, ETC.):**
Women are the primary focus for development of the communities and the nation. JSWPL/ JSW Group strongly believe in this philosophy and has planned and spearheaded various programs to strengthen partnership of women in the process of development. Major projects planned to substantiate this include:
(a) Skill building (vocational skills and employment)
(b) Economic empowerment (SHGs and entrepreneurship)
(c) Social Business (BPO, textile, enterprises)
(d) Facilitating linkages for destitute and widow

4. **ENSURING ENVIRONMENTAL SUSTAINABILITY**:
Nurturing the nature and adopting processes to enhance its sustainability remains a major goal of the JSW Projects Limited / JSW Group. As vigilant and responsible corporate, the major interventions include:
(a) Solid waste management
(b) Sanitation and personal hygiene
(c) Afforestation
(d) Rainwater harvesting
(e) Harnessing science and technology
(f) Fostering Local innovations

5. **PRESERVING NATIONAL HERITAGE**:
Preservation and promotion of art, craft, culture, heritage, and monuments is one of the strong focuses of JSW Projects Limited / JSW Group key activities under this theme include:
(a) Preservation of art, crafts, culture, and monuments
(b) Promotion of traditional art and culture

6. **SPORTS TRAINING**:
Promotion and strengthening of the sports in India has always remained as a key interest area for JSW Projects Limited / JSW Group. Some of the sports faculties/ training that are contributing to the national sports include:
(a) Squash
(b) Football
(c) Volleyball
(d) Swimming
(e) Athletics

7. **SUPPORTING TECHNOLOGY INCUBATORS IN CENTRAL GOVERNMENT APPROVED ACADEMIC INSTITUTES**:
Fellowships/ grants to academic institutions for technology innovations

8. **RURAL DEVELOPMENT PROJECTS:**
   Infrastructure development in rural area including road, toilets, lighting, community centre, etc.

IMPLEMENTATION:

A. Implementing agency:
   The CSR activities would be implemented by:
   (i)JSW Projects Limited / JSW Group when the activities are related to civil works involving construction of buildings, roads, and other infrastructure related projects.
   (ii) JSW Foundation in all other projects either by itself or in partnership with Government, Foundations or any other institution with relevant expertise and experience in the sector

B. Annual plan would be prepared with clear milestones indicating on a quarterly basis.

MONITORING MECHANISM:

A combination of various mechanisms would be adopted for the monitoring of the CSR programs:

i. Monitoring meeting on a monthly basis by the respective CSR location In-Charge
ii. Quarterly monitoring by the Location Head
iii. Half-yearly monitoring by Apex Committee of the Foundation and by the Committee of the Board
iv. Yearly monitoring by the Board

<u>**Annexure 3**</u>

SECRETARIAL AUDIT REPORT

P. MEHTA & ASSOCIATES
Practising Company Secretaries

To
The Members
JSW Projects Limited
Mumbai.
CIN: U74999MH2006PLC163924

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, I believe that the processes and practices, I followed provide reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company. I have relied on the statutory report provided by the Statutory Auditors as well as Internal Auditors of the company for the financial year ending 31st March, 2020.

4. I have obtained the management representation wherever required about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provision and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The secretarial audit reports neither an assurance as to the future liability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **P Mehta & Associates.**
Practicing Company Secretaries

PRASHANT S. MEHTA
MUMBAI
ACS 5814
CP. NO. 17341
PRACTISING COMPANY SECRETARY

Psmehta

PRASHANT S. MEHTA
COMPANY SECRETARY
M. NO. 5814 CP. NO. 17341

Prashant S Mehta
(Proprietor)
ACS No. 5814
C.P. No. 17341

Date: 24th June, 2020
Place: Mumbai

SECRETARIAL AUDIT REPORT
Form No. MR-3

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the financial year ended 31st March, 2020

PRASHANT S. MEHTA
MUMBAI
ACS 5814
CP. NO. 17341
PRACTISING COMPANY SECRETARY

To
The Members,
JSW Projects Limited ,
Mumbai.
CIN: U74999MH2006PLC163924

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by JSW Projects Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings;
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; *(Not Applicable during the audit period)*
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(Not Applicable during the audit period) and*
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(Not Applicable during the audit period)*
(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to time with respect to the Debentures Listed on WDM Segment of BSE Limited.

(vi) I have relied on the representation and information provided by the management and its officers for systems and mechanism framed by the Company and having regard to the compliance system prevailing in the Company & on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following laws as specifically applicable to the Company:

a. Income Tax Act, 1961 and other Indirect Tax laws;
b. Bombay Shops & Establishment Act, 1948;
c. Factories Act, 1948; Industrial Dispute Act, 1947; Contract Labour (Regulation and Abolition) Act, 1970 and other legislations relating to Human Resources and Industrial Relations governing the Company;
d. All applicable Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, bonus, provident fund, ESIC, compensation, Labour welfare Act of respective states, etc;
e. Acts prescribed under Environmental protection;
f. Acts prescribed under prevention and control of pollution;
g. Industries (Development and Regulation) Act, 1951;
h. Maharashtra State Profession Tax Act, 1975 & Rules made thereunder;
i. GST Act & Rules made thereunder;

I have also examined compliance with the applicable provisions of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Listing Agreement entered into by the Company with respect to the Debentures Listed on WDM Segment of BSE Limited.

PRASHANT S. MEHTA
MUMBAI
ACS 5814
CP. NO. 17341
PRACTISING COMPANY SECRETARY

To the best of my knowledge and belief, during the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

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

Adequate notices of Board and Committee Meetings have been given to all the Directors. Agenda and detailed notes were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions is carried through while dissenting members' views are captured and recorded as part of the minutes.

I further report that based on review of compliance mechanism established by the Company and on the basis of Compliance Certificates issued by the Company Secretary, I am of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that in the Extra Ordinary General Meeting, the Company has passed the following special resolutions:

1. Re-appointment of Mr. Ashok Kumar Jain (DIN: 02734338) as an Independent Director;
2. Re-appointment of Dr. Rakhi Jain (DIN: 07138042) as an Independent Director.

During the year on 20th March, 2020, the Company has redeemed 2000 Non-Convertible Debentures of Series A and 167 Non-Convertible Debentures of Series B along with redemption premium.

For **P Mehta & Associates.**
Practicing Company Secretaries

PRASHANT S. MEHTA
MUMBAI
ACS 5814
CP. NO. 17341
PRACTISING COMPANY SECRETARY

Psmehta

Prashant S Mehta
(Proprietor)
ACS No. 5814
C.P. No. 17341

PRASHANT S. MEHTA
COMPANY SECRETARY
M. NO. 5814 CP. NO. 17341

Date: 24th June, 2020
Place: Mumbai

UDIN: A005814B000391573 (This UDIN is generated on 27th June, 2020)

Annexure 4

FORM NO. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: -

No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
NIL								

2. Details of material contracts or arrangement or transactions at arm's length basis: -

No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Amount paid as advances, if any
	(a)	(b)	(c)	(d)	(e)	(f)
There was no material transaction during the year with related parties referred to in Section 188 (1) of the Companies Act, 2013. However, details of transactions with related parties, during the year, is given in Note 45 of the Standalone Financial Statements						

For and on behalf of the
Board of Directors of JSW Projects Limited

nagendra

P. Nagendra Kumar
Managing Director
DIN:- 08010964

Vineet Agrawal
Director
DIN:- 02027288

Mumbai, June 24, 2020

Annexure 5

Details of the loans, guarantees or investment made under the provisions of Section 186 of the Companies Act, 2013

No.	Name of the entity	Particular of loans, guarantees or investment	Relation	Amount
1.	JSW Techno Projects Management Ltd	Investments	Others	2,77,00,00,000
2.	Jasani Realty Private Limited	Inter-corporate Loan	Others	2,65,00,000
3.	Indostar Capital Finance Limited	Investments	Others	150,38,64,907
4.	Indostar Capital Finance Limited	Inter-corporate Loan	Others	27,19,00,000
5.	ECAP Equities Limited	Inter-corporate Loan	Others	40,00,00,000
6.	Arshiya Limited	Inter-corporate Loan	Others	20,00,00,000

ANNEXURE 6

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2020
of
JSW PROJECTS LIMITED
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:-	U74999MH2006PLC163924
ii)	Registration Date	21-08-2006
iii)	Name of the Company	JSW Projects Limited
iv)	Category / Sub-Category of the Company	Public Company Limited by Shares
v)	Address of the Registered Office and contact details	JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
vi)	Whether listed company (Yes/ No)	Yes (Debenture are listed)
vii)	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	KFin Technologies Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nankramguda, Hyderabad – 500032 Telephone : +91 40 67161500 Fax Number : +91 40 23001153 Email Address : eninward.ris@karvy.com Website : www.karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Manufacture of basic iron and steel	241	90.38%
2.	Electric power generation	351	9.50%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
NONE					

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									

a) Individual/HUF	-	600	600	0.00	-	600	600	0.00	
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other • Trust	9,99,400	-	9,99,400	100.00	9,99,400	-	9,99,400	100.00	-
SUB TOTAL:(A) (1)	9,99,400	600	10,00,000	100.00	9,99,400	600	10,00,000	100.00	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	9,99,400	600	10,00,000	100.00	9,99,400	600	10,00,000	100.00	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
C) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non Institutions									
a) Bodies corporates	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-	-

ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**9,99,400**	**600**	**10,00,000**	**100.00**	**9,99,400**	**600**	**10,00,000**	**100.00**	-

ii) Shareholding of Promoter-

No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Mr. Sajjan Jindal and Mrs. Sangita Jindal, Trustee of Sajjan Jindal Family Trust	9,99,400	99.99	50.00	9,99,400	99.99	50.00	-
2	Mr. K. N. Patel (as a Nominee of Sajjan Jindal Family Trust)	100	0.00	-	100	0.00	-	-
3	Mr. Bhushan Prasad (as a Nominee of Sajjan Jindal Family Trust)	100	0.00	-	100	0.00	-	-
4	Mr. Sriram K. S. N. (as a Nominee of Sajjan Jindal Family Trust)	100	0.00	-	100	0.00	-	-
5	Mr. Sundeep Jain (as a Nominee of Sajjan Jindal Family Trust)	100	0.00	-	100	0.00	-	-
6	Mr. Sanjeev Doshi (as a Nominee of Sajjan Jindal Family Trust)	100	0.00	-	100	0.00	-	-
7	Mr. Deepak Bhat (as a Nominee of Sajjan Jindal Family Trust)	100	0.00	-	100	0.00	-	-
	Total	**10,00,000**	**100.00**	-	**10,00,000**	**100.00**	-	-

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

SN	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):			Cumulative Shareholding during the year	
		No. of shares (as on April 1, 2019)	% of total shares of the company	Date	Increase	Decrease	No. of shares	% of total shares of the company
There has been no change in the Promoter's Shareholding during the Financial Year 2019-20								

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

SN	**For Each of the Top 10 Shareholders**	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	All Shares are held by the Promoter Group			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	None of the Directors / Key Managerial Personnel holds any shares in the Company			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of the financial year				
i) Principal Amount	9,48,76,26,796	9,50,00,00,000	NIL	18,98,76,26,796
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	7,94,08,781	1,43,57,06,360	NIL	1,51,51,15,141

Total (i+ii+iii)	9,56,70,35,577	10,93,57,06,360	NIL	20,50,27,41,937
Change in Indebtedness during the financial year • Addition • Reduction	 NIL 2,44,76,26,796	 4,37,75,00,000 2,79,45,00,000	 NIL NIL	 4,37,75,00,000 5,24,21,26,796
Net Change	**(2,44,76,26,796)**	**158,30,00,000**	**NIL**	**(86,46,26,796)**
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	 7,04,00,00,000 NIL 5,78,87,192	 11,08,30,000 NIL 1,62,00,29,908	 NIL NIL NIL	 18,12,30,00,000 NIL 1,67,79,17,100
Total (i+ii+iii)	**7,09,78,87,192**	**2,70,30,29,908**	**-**	**19,80,09,17,100**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Mr. Nagendra Kumar Paladugu Whole-time Director	Total Amount
1	Gross salary	54,72,744	54,72,744
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify		
5	Others, please specify		
	Total (A)	**54,72,744**	**54,72,744**
	Ceiling as per the Act		

B. Remuneration to other directors:

SN	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Vineet Agrawal	**Mr. Ashok Kumar Jain**	**Dr. Rakhi Jain**	
1	Independent Directors	Not Applicable		60,000	60,000
	• Fee for attending board committee meetings				
	• Commission				
	• Others, please specify				
	Total (1)				
2	Other Non-Executive Directors		Not Applicable		
	• Fee for attending board				0

	committee meetings				
	• Commission				0
	• Others, please specify				0
	Total (2)				**0**
	Total (B)=(1+2)				**60,000**
	Total Managerial Remuneration				
	Overall Ceiling as per the Act	**Rs.1,00,000 per meeting**			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD

Sl. No.	**Particulars of Remuneration**	**Key Managerial Personnel**		
		Ms. Ojasvi Damle, Company Secretary	**Mr. Bhushan Prasad, CFO**	**Total**
1	Gross salary	13,85,229	63,32,750	77,17,979
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		19,200	19,200
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others, specify…			
5	Others, please specify			
	Total	**13,85,229**	**63,51,950**	**77,37,179**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	**Section of the companies act**	**Brief description**	**Details of penalty / punishment/ compounding fees imposed**	**Authority [RD / NCLT/ Court]**	**Appeal made, if any (give details)**
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

Annexure 7 - List of employees

1. Details of Top ten employees in terms of remuneration drawn and
2. Employees employed throughout the financial year and were in receipt of remuneration for that year which, in the aggregate, was not less than ₹ 1,02,00,000/-

Name of the Employees	Designation	Age (in Years)	Qualification	Date of Commencement of employment	Remuneration (in Amount)	Total Experience	Last Employment (Designation)	% of equity shares held	Whether Relative of any Director / Manager
Details of Top Ten employees in terms of remuneration drawn									
ABHIJIT MANNA	General Manager	51	Bachelor of Science, Bachelor of Technology	01/07/2018	74,27,262	31.15	General Manager	NIL	NIL
BHUSHAN PRASAD	Vice President - Finance & Accounts	56	Bachelor of Arts (Economics) Cost & Work Accountant, Post Graduate Diploma in Business Administration	01/06/2011	63,51,950	30.17	Associate Vice President – Finance	NIL	NIL
NAGENDRA P KUMAR	Vice President (Projects)	54	Bachelor of Engineer (Mechanical)	01/11/2017	54,72,744	30.19	Vice President	NIL	NIL
PUNEET NARAYAN	Deputy General Manager	49	Bachelor of Engineer(Electrical engineering)-1991	01/09/2017	42,14,211	28.14	Deputy General Manager	NIL	NIL
DASTANE ASHUTOSH UDAY	ASSISTANT GENERAL MANAGER	45	Bachelor of Engineer (Chemical)	01/01/2016	34,75,084	23.10	Asst. General Manager	NIL	NIL
B PRANESH	Assistant General Manager	38	Bachelor of Engineer(Mechanical)	01/07/2018	28,33,733	15.10	Asst. General Manager	NIL	NIL
SELVA KUMAR	ASSISTANT GENERAL MANAGER	49	C. Tech /Electronics	01/01/2016	27,74,586	32.09	Asst. General Manager	NIL	NIL

BANDRI BALAJI PRASANNA	Deputy General Manager	58	Bachelor of commerce , Chartered Accountant	01/11/2012	27,72,924	25.09	Manager	NIL	NIL
CHANDRAPPA U	General Manager	60	Bachelor of Engineer (Mechanical)	01/09/2017	26,95,353	33.04	General Manager	NIL	NIL
RAJAN C	Deputy General Manager	60	Masters of Business Administration, Bachelor of Engineer, AMIE, Bachelor of Science	12/11/2010	22,78,832	37.00	Asst. General Manager	NIL	NIL
Employed throughout the year and were in receipt of remuneration of not less than ₹1,02,00,000 per annum									
NIL									
Employed for the part of the year and were in receipt of remuneration aggregating to not less than ₹8,50,000 per month									
NIL									

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. no.	Requirement	Information	Ratio % change
i.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	There is only one Director who is drawing Remuneration from the company at a time and their remuneration is disclosed in "Annexure-6" to the Directors Report.	Name of Director: - 1) Mr. Nagendra Kumar Paludugu Remuneration of Director till November, 30 2019.: - INR 54,72,744 Median Remuneration p.a.: - INR 7,10,656 Ratio of Remuneration of Director to Median Remuneration:- 7.7:1
ii.	% increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, in the Financial Year	Mr. NagendraKumar Paludugu (Director)	Since the remuneration of Mr. Nagendra Kumar Paludugu is only for part of the year, increase in remuneration is not stated.
		Mr. Bhushan Prasad (Chief Financial Officer)	Since the remuneration of Mr. Bhushan Prasad is only for part of the year, increase in remuneration is not stated.
		Ms. Ojasvi Damle (Company Secretary)	Since the remuneration of Ms. Ojasvi Damle is only for part of the previous year, increase in remuneration is not stated.
iii.	% decrease in the median remuneration of employees in the Financial Year	0.63%	
iv.	No. of permanent employees on the rolls of the Company	25	
v.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	% Decrease made in the salaries of employees other than the managerial personnel in the last financial year: 3.87% % decrease in the managerial remuneration: 14.00%	
vi.	Affirmation that the remuneration is as per the remuneration policy of the company	Affirmed	

*Change in remuneration is on account of appointment of said Director's in additional Committees and the % of change is calculated considering remuneration received in previous financial year as base.

Annexure 8

Particulars regarding conservation of energy, technology absorption, foreign exchange earnings and outgo

A.	**Conservation of Energy:-**	
	(i) the steps taken conservation of or impact on energy	The Company has always been frontrunner in continual improvement of its operational performance. Through focused efforts, during the year the Company achieved some significant achievements i.e. **1)** In CDQPP, in current financial year, we have planned to install VVFD drives for Condensate Extraction pumps (02 No's) in CDQ power plants as a part of energy conservation projects. Presently existing pumps are equipped with 132 KW,415 VAC operating motors, with installation of VVFD drives it is expected in power saving by 10-15 %. **2) Coke Dry Quenching (CDQ)** The Company has fully commissioned Coke Dry Quenching (CDQ) which apart from producing, dry coke also utilises hot coke sensible heat to produce Max 228.6 t/h (257.5t/h with BFG) of steam at 9.5 ±0.2, MPA pressure, 540± 5°C temperature from power generation. **3) DRI** The process tail gas generated from pressure swing adsorption units, enriched with carbon dioxide is effectively utilized by generating electric power, instead of releasing to atmosphere. The waste flue gas generated from process gas heater, after drying, is used as seal gas to reduce the nitrogen consumption. The furnace top gas after cooling and scrubbing, is recycled back (75%) to process to reduce Corex gas consumption. Net thermal energy consumed during the year FY20 was 2.35 Gcal/Ton against 2.47 Gcal/Ton in FY19.
	(ii) the steps taken by the company for utilising alternate sources of energy	NA
	(iii) the capital investment on energy conservation equipment	NIL
B.	Technology absorption:-	
	(i) the efforts made towards technology absorption;	NA
	(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	NA
	(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the	

	financial year)-	
	(a) the details of technology imported;	
	(b) the year of import;	
	(c) whether the technology been fully absorbed;	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
	(iv) the expenditure incurred on Research and Development.	
C.	Foreign exchange earnings and Outgo-	
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	Foreign Exchange earned 0.23 Crs Foreign Exchange outgo Rs. 106.51 Crs

JSW Projects Limited
Balance Sheet as at March 31, 2020

₹ in Lakhs

	Particulars	Notes	As at March 31, 2020	As at March 31, 2019
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	5.1	12,561.80	14,572.30
	(b) Capital work-in-progress	5.2	7,393.57	6,160.63
	(c) Right of Use Asset	6	116.33	-
	(d) Financial Assets			
	(i) Investments	7	45,455.58	50,085.70
	(ii) Loans	8	1,233.87	872.74
	(iii)Finance lease receivables	9	87,167.47	1,14,059.17
	(iv) Other financial assets	10	685.18	905.73
	(e) Non current tax assets (net)	11	3,871.13	1,073.83
	(f) Other non-current assets	12	1,586.16	1,531.49
	Total non-current assets		**1,60,071.09**	**1,89,261.59**
2	**Current assets**			
	(a) Inventories	13	6,193.07	6,634.41
	(b) Financial Assets			
	(i) Investments	14	49,038.65	34,000.00
	(ii) Trade receivables	15	4,003.72	7,664.80
	(iii) Cash and cash equivalents	16	2,577.84	660.98
	(iv) Loans	17	11,896.15	11,927.15
	(v) Finance lease receivables	18	27,562.03	24,610.71
	(vi) Other financial assets	19	1,014.76	617.21
	(c) Other current assets	20	6,035.60	3,818.04
	Total current assets		**1,08,321.82**	**89,933.30**
	Total Assets		**2,68,392.91**	**2,79,194.89**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity Share Capital	21	100.00	100.00
	(b) Other Equity	22	47,064.54	44,556.62
	Total equity		**47,164.54**	**44,656.62**
	Liabilities			
1	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	23	1,00,123.90	1,30,826.29
	(ii) Lease Liabilities		34.41	-
	(b) Provisions	24	79.48	141.34
	(c) Deferred tax liabilities (net)	25	12,806.42	14,721.27
	(d) Other non-current liabilities	26	4,975.76	19,272.60
	Total non-current liabilities		**1,18,019.97**	**1,64,961.50**
2	**Current liabilities**			
	(a) Financial liabilities			
	(i) Trade payables			
	- Total outstanding dues of micro and small enterprises	27	159.32	44.97
	- Total outstanding dues of Creditors other than micro and small enterprises	27	2,978.96	7,568.19
	(ii) Lease Liabilities		93.45	-
	(iii) Other financial liabilities	28	97,880.19	60,073.05
	(b) Provisions	29	14.10	30.64
	(c) Other current liabilities	30	2,082.38	1,859.92
	Total current liabilities		**1,03,208.40**	**69,576.77**
	Total equity and liabilities		**2,68,392.91**	**2,79,194.89**
	See accompanying notes to the financial statements	1 to 55		

As per Report of Even Date
For H P V S & Associates
Chartered Accountants
Firm Registration No. 137533W

H Khandhadia

Hitesh R. Khandhadia
Membership No.: 158148
UDIN No.: 20158148AAAABH9207

H P V S & Associates
MUMBAI
137533W
Chartered Accountants

Place: Mumbai
Date: 24.06.2020

For and on behalf of the Board of Directors

Nagendra KL

Vineet Agrawal
Director
DIN: 02027288

P. Nagendra Kumar
Managing Director
DIN: 08010964

Damle

Ojasvi Damle
Company Secretary
Membership no. A26312

Prasad

Bhushan Prasad
Chief Financial Officer

JSW Projects Limited
Statement of Profit and Loss for the year ended March 31, 2020

₹ in Lakhs

	Particulars	Notes	For the year ended 31.03.2020	For the year ended 31.03.2019
I	**Income**			
	(a) Revenue from operations	31	56,969.25	68,794.42
	(b) Other income	32	5,537.69	10,343.92
	Total Income (I)		**62,506.94**	**79,138.34**
II	**Expenses**			
	(a) Cost of materials and services consumed	33	18,320.96	17,774.59
	(b) Employee benefits expense	34	636.96	668.18
	(c) Finance costs	35	21,322.85	19,307.60
	(d) Depreciation and amortisation expense	36	2,178.00	2,370.81
	(e) Other expenses	37	18,792.69	12,542.42
	Total expenses (II)		**61,251.46**	**52,663.60**
III	**Profit before tax (I-II)**		**1,255.48**	**26,474.74**
IV	**Tax expense:**			
	(a) Current tax	38	7,324.53	11,894.60
	(b) Deferred tax	39	(8,574.58)	(5,726.13)
	Total tax expense (IV)		**(1,250.05)**	**6,168.47**
V	**Profit for the year (III-IV)**		**2,505.53**	**20,306.27**
VI	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss	40(A)(i)	(0.98)	1.21
	(ii) Income tax relating to items that will not be reclassified to profit or loss	40(A)(ii)	0.11	(0.62)
	B (i) Items that will be reclassified to profit or loss Re- Measurement of the defined benefit plans	40(B)(i)	5.00	8.18
	(ii) Income tax relating to items that will be reclassified to profit or loss	40(B)(ii)	(1.75)	(2.86)
	Total other comprehensive income for the year (A+B) (VI)		**2.38**	**5.91**
VII	**Total Comprehensive Income for the year (V+VI)**		**2,507.91**	**20,312.18**
VIII	**Earnings per equity share (of ₹ 10/- each)(Refer note 46)**			
	(a) Basic (in ₹)		250.55	2,030.63
	(b) Diluted (in ₹)		250.55	2,030.63
	See accompanying notes to the financial statements	1 to 55		

As per Report of Even Date
For H P V S & Associates
Chartered Accountants
Firm Registration No. 137533W

For and on behalf of the Board of Directors

Hitesh R. Khandhadia
Membership No.: 158148
UDIN No.: 20158148AAAABH9207

H P V S & Associates
MUMBAI
137533W
Chartered Accountants

Vineet Agrawal
Director
DIN: 02027288

P. Nagendra Kumar
Managing Director
DIN: 08010964

Ojasvi Damle
Company Secretary
Membership no. A26312

Bhushan Prasad
Chief Financial Officer

Place: Mumbai
Date: 24.06.2020

JSW Projects Limited
Statement of Changes in Equity for the year ended March 31, 2020

₹ in Lakhs

Particulars	Equity	Other Equity			Other comprehensive income		Total
	Issued capital	Capital Reserve	Debenture Redemption Reserve	Retained earnings	Equity instrument through OCI	Remeasurements of net defined benefit plan	
Opening balance as at April 1, 2018	**100.00**	**97.49**	**21,250.00**	**2,888.69**	**5.77**	2.50	24,344.45
Profit for the year	-	-	-	20,306.27	-	-	20,306.27
Transfer (from)/to debenture redemption reserve	-	-	(5,000.00)	5,000.00	-	-	-
Other comprehensive income for the year, net of income tax	-	-	-	-	0.59	5.32	5.91
Total comprehensive income/ (loss) for the year	-	-	**(5,000.00)**	**25,306.27**	**0.59**	**5.32**	20,312.18
Closing balance as at March 31, 2019	**100.00**	**97.49**	**16,250.00**	**28,194.96**	**6.36**	**7.82**	44,656.63
Profit for the year	-	-	-	2,505.53	(0.98)	5.00	2,509.55
Transfer (from)/to debenture redemption reserve	-	-	(16,250.00)	16,250.00	-	-	-
Other comprehensive income for the year, net of income tax	-	-	-	-	0.11	(1.75)	(1.64)
Total comprehensive income/ (loss) for the year	-	-	**(16,250.00)**	**18,755.53**	**(0.87)**	**3.25**	2,507.91
Closing balance as at March 31, 2020	**100.00**	**97.49**	-	**46,950.49**	**5.49**	**11.07**	47,164.54
See accompanying notes to the financial statements 1 to 55							

As per Report of Even Date
For H P V S & Associates
Chartered Accountants
Firm Registration No. 137533W

Hitesh R. Khandhadia
Membership No.: 158148
UDIN No.: 20158148AAAABH9207

H P V S & Associates MUMBAI 137533W Chartered Accountants

Place: Mumbai
Date: 24.06.2020

For and on behalf of the Board of Directors

Vineet Agrawal
Director
DIN: 02027288

P. Nagendra Kumar
Managing Director
DIN: 08010964

Ojasvi Damle
Company Secretary
Membership no. A26312

Bhushan Prasad
Chief Financial Officer

JSW Projects Limited
Statement of Cash flows for the year ended March 31, 2020

₹ in Lakhs

Particulars	For the year ended March 31,2020	For the year ended March 31,2019
A. Cash flow from operating activities		
Net profit before tax	1,255.48	26,474.74
Depreciation and amortisation expenses	23,329.43	27,154.20
Interest income	(1,274.49)	(7,262.14)
Dividend income	(4.35)	(145.17)
Finance cost	21,227.75	19,149.85
Ind AS adjustment impact due to fair valuation of financial assets	15,341.50	2,312.38
Operating profit before working capital changes	**59,875.32**	**67,683.86**
Adjustments for increase/decrease in Operating Assets/ Liabilities:		
(Increase)/Decrease in inventories	441.35	(2,085.85)
(Increase)/Decrease in trade receivables	3,661.08	10,896.71
(Increase)/Decrease in other assets	93.16	(1,382.10)
(Increase)/Decrease in other financial assets	(15,038.65)	450.67
Increase/(Decrease) in trade payables	(4,474.88)	4,506.51
Increase/(Decrease) in provisions	(78.40)	14.51
Increase/(Decrease) in other liabilities	222.49	(860.79)
	(15,173.85)	**11,539.66**
Cash generated from operating activities	**44,701.47**	**79,223.52**
Direct taxes paid (Net)	(3,459.77)	(6,019.43)
Net cash generated from operating activities (A)	**41,241.70**	**73,204.09**
B. Cash flow from investing activities		
Purchase of property, plant and equipment/addition to capital-work-in progress	(1,789.24)	(6,424.87)
Loans and advances (given)/received back	(2,986.36)	(1,458.14)
(Purchase)/sale of Mutual Funds and Debenture	20,700.00	(27,543.09)
(Purchase)/sale of non-current investments	(27,700.00)	(14,500.00)
Interest received	876.94	7,146.47
Dividend received	4.35	145.17
Net cash used in investing activities (B)	**(10,894.31)**	**(42,634.46)**
C. Cash flow from financing activities		
Net proceeds from long term borrowings	21,169.21	(49,370.45)
Net proceeds from Short term borrowings	(30,000.00)	30,000.00
Interest paid	(19,599.74)	(13,212.03)
Net cash generated/used in financing activities (C)	**(28,430.53)**	**(32,582.48)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1,916.86	(2,012.85)
Cash and cash equivalents at the beginning of the year	660.98	2,673.83
Cash and cash equivalents at the end of the year (refer note 16)	**2,577.84**	**660.98**

Reconciliations part of cash flows

Particulars	For the year ended March 31,2020	For the year ended March 31,2019
Balance at the beginning of the year (including current maturities)	1,59,748.96	2,08,538.22
Cash flows (Repayment)/Proceeds	21,169.21	(49,370.45)
Non cash Changes		
1. Foreign Exchange Movement		
Realised Forex	184.52	502.99
Unrealised Forex	-	(79.55)
2. Amortised borrowing cost	77.88	157.75
Balance at the end of the year (including current maturities)	**1,81,180.57**	**1,59,748.96**

-The Cash Flow statement is prepared using the Indirect Method set out in Ind AS 7 "Statement of Cash Flow"

See accompanying notes to the financial statements 1 to 55

As per Report of Even Date
For H P V S & Associates
Chartered Accountants
Firm Registration No. 137533W

H P V S & Associates MUMBAI 137533W Chartered Accountants

Hitesh R. Khandhadia
Membership No.: 158148
UDIN No.: 20158148AAAABH9207

For and on behalf of the Board of Directors

Vineet Agrawal
Director
DIN: 02027288

P. Nagendra Kumar
Managing Director
DIN: 08010964

Ojasvi Damle
Company Secretary
Membership no. A26312

Bhushan Prasad
Chief Financial Officer

Place: Mumbai
Date: 24.06.2020

JSW PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1. General Information

JSW Projects Limited ("the Company") is primarily engaged in the business of manufacture on Job work basis of Direct Reduce Iron (DRI), Coke Dry Quenching (CDQ) and Captive Power Generation which are ultimately used in the manufacture of steel and steel products.

JSW Projects Limited is a Public Limited Company incorporated in India under the Companies Act, 1956. The registered office of the Company is JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

The Company has production facilities in the state of Karnataka.

2. Significant Accounting policies

I. Statement of compliance

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.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements').

These financial statements are approved for issue by the Board of Directors on June 24, 2020.

II. Basis of preparation and presentation

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

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

All other assets are classified as non-current.

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

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;

HPVS & Associates MUMBAI 137533W Chartered Accountants

- 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.

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

III. Investment in subsidiaries

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

IV. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenues on dispatch of goods from factory, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties when significant risks and rewards of ownership pass to the customer. Revenue from sale of by-products are included in revenue.

Revenue from sale of power is recognized when delivered and measured based on the bilateral contractual arrangements.

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.

V. Leasing

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

The Company as a lessor

Amount due from the lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to the accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on straight-line basis over the term of the relevant lease. Where the leases are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on straight-line basis over the lease term.

The Company as a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

HPVS & Associates * Chartered Accountants * MUMBAI 137533W

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Arrangements in the nature of lease

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

VI. Foreign currencies

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

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

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

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items

VII. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their 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. 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.

VIII. Employee Benefits

Retirement benefit costs and termination benefits

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

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

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

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

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

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

Short-term and other long-term employee benefits

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

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

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

IX. Taxation

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

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Company operates and generates taxable income. Taxable profit differs from 'profit

HPVS & Associates MUMBAI 137533W Chartered Accountants

before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

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.

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.

Current and deferred tax for the period.

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

X. 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 and equipment have been put into operation, such as repairs and maintenance, are charged to the

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Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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.

Assets in the course of construction are capitalised in the assets under construction account. 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. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

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. Freehold land is not depreciated.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS i.e. 1st April, 2015, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

XI. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, 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.

Estimated useful lives of the intangible assets are is taken as 3 years.

The Company has elected to continue with carrying value of all its intangible assets recognised ason transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

XII. Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets:

a) In respect of the fixed assets, 8 MW Captive Power Plant (CPP), based on technical evaluation useful life of asset is 20 years:
b) Depreciation on Plant and Machineries of Captive Power Plant (CPP) is provided on Written Down Value (WDV) method.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Freehold land is not depreciated. Leasehold land is amortized over the period of the lease, except where the lease is convertible to freehold land under lease agreements at future dates at no additional cost.

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Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their 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.

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.

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

At the end of each reporting period, the Company reviews the carrying amounts of Property, plant and equipment 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.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of 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 reversal of the impairment loss is treated as a revaluation increase.

XIV. Inventories

Inventories are stated at the lower of cost and net realisable value. 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. 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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management

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XVI. Earnings per share

Basic earnings per share are computed by dividing the profit/ (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

XVII. Provisions

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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, 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 recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

<u>Onerous contracts</u>

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.

XVIII. Financial Instruments

Financial assets and financial liabilities are recognised when a 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) 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

i) 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 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.

ii) In case of investments in subsidiaries, joint ventures and associates the Company has chosen to measure its investments at deemed cost.

iii) The Company has elected to apply the requirements pertaining to Level III financial instruments of deferring the difference between the fair value at initial recognition and the transaction price prospectively to transactions entered into on or after the date of transition to Ind AS.

b) Classification of financial assets

On initial recognition, a financial asset is classified as measured at; amortised cost, FVOCI or FVTPL

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

The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. A debt instrument is classified as FVOCI only if it meets both the 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 and 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. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. 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 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 FVOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

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

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

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

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

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

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

e) Effective interest method

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

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

B. Financial liabilities and equity instruments

a) Classification as debt or equity

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

b) Equity instruments

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

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

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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.

d) <u>Other financial liabilities:</u>

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

e) <u>Derecognition of financial liabilities:</u>

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

f) <u>Reclassification of financial assets:</u>

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

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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 year following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

XIX. Applicability of new Ind AS:
Initial application of an Ind AS

The Company applied Ind AS 116" Lease" for the first time. Ind AS 116 sets out the principals for the recognition, measurement, presentation and disclosure of Leases and requires lessees to account for all leases under a single on Balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees-leases of 'Low Value' assets (e.g. Personal computers) and short term leases (i.e. Lease with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right of use asset). Lessees will be required to separately recognise the interest expenses on the lease liability and the depreciation expenses on the right of use asset.

Lessees will be also required to re-measure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remesurement of the lease liability as an adjustment to the right of use asset.

Transition to Ind AS 116

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and using prospective effect on transition, applied to all operating Lease Rent Contract. Therefore, comparative information was not restated and continues to be reported under Old Accounting principle.

On transition, The Company recognised a lease liability and right-to-use asset measured at present value of the remaining lease payments. Accordingly, a right-to-use asset of Rs 203.57 Lakhs and Lease Liability of Rs 203.57 Lakhs. The Weighted average borrowing rate of 10.10% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and Finance Cost for interest accrued on lease liability.

3. Key sources of estimation uncertainty

- 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.

- Impairment of investments in subsidiaries, joint- ventures and associates

  Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors 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 as more fully descried in note 15. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

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• 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.

• Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

• Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

• Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

• Defined benefit plan:

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.

4. Critical accounting judgements

Separating payments of lease from the other payments

If an arrangement contains a lease, the parties to the arrangement shall apply the requirements of Ind AS 17 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 a finance lease receivable at an amount equal to the carrying value of the specified asset. Subsequently, the receivable has been reduced as payments are made and an imputed finance income on the receivable recognized using the Company's incremental borrowing rate of interest over the tenure of the arrangement. The total payments less payments made towards lease receivables and imputed finance income have been considered to be the consideration for elements other than lease.

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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.

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JSW Projects Limited
Notes to the financial statements as at March 31, 2020

Note - 5.1: Property, plant and equipment

₹ in Lakhs

Particulars	Freehold Land	Buildings - Other than factory	Factory buildings	Plant and Machineries (Including Electrical installation)	Furniture and Fixture	Motor vehicles	Computers	Tangible assets total
Cost or deemed cost								
Opening balance as at April 1, 2018	**877.52**	**9.46**	**1,699.37**	**25,827.29**	**61.52**	**24.47**	**8.79**	**28,508.42**
Additions	-	-	9.83	99.03	9.18	-	-	118.04
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2019	**877.52**	**9.46**	**1,709.20**	**25,926.32**	**70.70**	**24.47**	**8.79**	**28,626.46**
Additions	-	-		185.60			-	185.60
Disposals	-	-	-	239.20	-	-	-	239.20
Balance as at March 31, 2020	**877.52**	**9.46**	**1,709.20**	**26,111.92**	**70.70**	**24.47**	**8.79**	**28,572.86**
Accumulated depreciation								
Opening balance as at April 1, 2018	-	**1.05**	**429.25**	**11,236.80**	**8.35**	**18.53**	**4.62**	**11,698.60**
Depreciation	-	0.16	111.63	2,217.55	23.22	2.78	0.22	2,355.56
Eliminated on disposal/adjustment of assets	-	-	-	-	-	-	-	-
Balance as at March 31, 2019	-	**1.21**	**540.88**	**13,454.35**	**31.57**	**21.31**	**4.84**	**14,054.16**
Depreciation	-	0.16	111.67	1,962.77	13.27	2.78	0.11	2,090.76
Eliminated on disposal/adjustment of assets	-	-	-	133.86	-	-	-	133.86
Balance as at March 31, 2020	-	**1.37**	**652.55**	**15,283.26**	**44.84**	**24.09**	**4.95**	**16,011.06**
Carrying amount as at March 31, 2020	**877.52**	**8.09**	**1,056.65**	**10,828.66**	**25.86**	**0.38**	**3.84**	**12,561.80**
Carrying amount as at March 31, 2019	**877.52**	**8.25**	**1,168.32**	**12,471.97**	**39.13**	**3.16**	**3.95**	**14,572.30**
Life of asset	**NA**	**60**	**30**	**Different**	**10**	**8**	**3**	
Method of depreciation	**NA**	**SLM**	**SLM**	**SLM/WDV**	**SLM**	**SLM**	**SLM**	

Tangible assets include Gross Block of ₹ 20,402.55/- lakhs (previous year ₹ 20,456.15/- lakhs) constructed on leased land under lease agreements with JSW Steel Limited, for 39.81 acres of land situated at Toranagallu village, District Bellary, Karnataka at an annual rent of ₹ 100 per acre (refer note 41.1)

Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in note 23 pertaining to the borrowings.

Property, plant and equipment excludes assets related to Direct Reduction of Iron (DRI) Plant and Coke Dry Quenching (CDQ) Plant treated as Financial Lease Receivable (Refer Note 9 & 18).

Note - 5.2: Capital work in progress

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance as at April 1, 2019 - (A)	6,160.63	806.96
Plant and machinery and civil works during the Year - (B)	1,418.54	5,471.71
Total (A+B)	**7,579.17**	**6,278.67**
Less: Amount transferred to fixed assets/Finance lease receivable	(185.60)	(118.04)
Balance carried forward as at March 31, 2020	**7,393.57**	**6,160.63**

Note - 6: Right of Use Asset

₹ in Lakhs

Particulars	Right of Use Asset	Right of Use Asset Total
Fair Value of Lease		
Opening balance as at April 1, 2019	-	-
Additions	203.57	203.57
Disposals	-	-
Balance as at March 31, 2020	**203.57**	**203.57**
Accumulated amortisation		-
Amortisation	87.24	87.24
Eliminated on disposal of assets	-	-
Balance as at March 31, 2020	**87.24**	**87.24**
Carrying amount as at March 31, 2020	**116.33**	**116.33**
Balance Life of Right of use	**16 Month**	
Method of depreciation	**DCF**	

*For the purpose of lease liability refer to Note 47

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Note - 7: Investments (Non-current) ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Quoted investments in equity instruments at FVTOCI (all fully paid) :		
In Others		
JSW Steel Limited		
1,000 Shares of ₹ 1 each (previous year 1,000 shares of ₹ 1 each)	2.44	2.93
JSW Holdings Limited		
100 Shares (previous year 100) of ₹ 10 each	2.37	2.86
Unquoted investments in equity instruments at FVTOCI (all fully paid) :		
In Others		
JSW Techno Projects Management Limited		
50 Shares (previous year 50) of ₹ 10 each	4.08	4.08
Unquoted investment in preference shares at FVTPL (all fully paid)		
In Others		
JSW Techno Projects Management Limited		
75,35,00,000 Zero coupon non convertible redeemable preference shares (previous year 47,65,00,000) of ₹ 10 each	45,446.69	29,375.83
Unquoted Investments in debentures at amortised cost		
JSW Techno Projects Management Limited		
Nil (previous year 207) 8.75% non-convertible debentures of ₹ 1,00,00,000 each	-	20,700.00
Total	**45,455.58**	**50,085.70**
Aggregate value of quoted investments at carrying amount	4.81	5.79
Aggregate Value of quoted investments at Market Value	4.81	5.79
Aggregate value of unquoted investments at carrying amount	45,450.77	50,079.92
Investment at FVTOCI	8.89	9.87
Investment at FVTPL	45,446.69	29,375.83
Investment at amortised cost	-	20,700.00

Note - 8: Loans (non-current) ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits		
to related party (Refer note 41.1 & Note 45)	143.08	144.85
to others	1,090.79	727.89
Total	**1,233.87**	**872.74**
Sub-classification of Loans		
Loan Receivables Considered Good-Secured	-	-
Loan Receivables Considered Good-Unsecured	1,233.87	872.74
Loan Receivables which have significant increase in credit Risk	-	-
Loan Receivables- Credit Impaired	-	-

Note - 9: Finance lease receivables (Non-current) ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Finance lease receivables	87,167.47	1,14,059.17
Total	**87,167.47**	**1,14,059.17**

Financial Lease Receivable includes exchange fluctuation Loss of ₹ 184.16 lakhs (previous year 423.43 lakhs).

Note -10: Other financial assets (Non-current) ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered Good		
In margin money (term deposits) with original maturity of more than twelve months	685.18	905.73
Total	**685.18**	**905.73**

Note:- Earmarked with banks held as margin money for interest service for term loan from banks.

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JSW Projects Limited
Notes to the financial statements as at March 31, 2020

Note - 11: Non current tax assets/(Liabilities) (net) ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Non current tax assets (A)		
Advance income tax (including TDS receivable)	10,778.56	7,314.82
	10,778.56	**7,314.82**
Non current tax liabilities (B)		
Provision for income tax	(6,907.43)	(6,240.99)
	(6,907.43)	**(6,240.99)**
Total (A-B)	**3,871.13**	**1,073.83**

Note - 12: Other non current assets ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Prepayment and others	1,586.16	1,531.49
Total	**1,586.16**	**1,531.49**

Note - 13: Inventories ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Inventories (at Cost)		
Stores and spares	6,193.07	6,634.41
Total	**6,193.07**	**6,634.41**

Inventories have been pledge as a security against cash credit Limit

Cost of inventories recognised as an expense ₹ in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Stores and spares	3,984.89	2,970.63
Total	**3,984.89**	**2,970.63**

Note -14: Other investments (Current) ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Other Investment	49,038.65	34,000.00
Total	**49,038.65**	**34,000.00**
Aggregate carrying amount of Other Investment	49,038.65	34,000.00
Aggregate market value of Other Investment	49,038.65	34,000.00
Other Investment at FVTPL	49,038.65	34,000.00

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Note - 15: Trade receivables — ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables Considered Goods- Secured	-	-
Trade Receivables Considered Goods- Unsecured	4,003.72	7,664.80
Trade Receivables have significant increase in Credit Risk	-	-
Trade Receivables- Credit Impaired	-	-
Less: Allowance for Expected credit loss	-	-
Total	**4,003.72**	**7,664.80**

Aging of receivables — ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
15- 90 days	4,003.72	7,664.75
91-180 days	-	-
181 - 365 days	-	0.05
Total	**4,003.72**	**7,664.80**

Credit risk management regarding trade receivables has been described in note 44.7
The credit period on sales of goods and services ranges from 1 to 15 days without security
Trade receivables have been given as collateral towards borrowing details relating to which has been described in Note 23
Trade Receivables from related parties' details has been described in note 45
Trade Receivables does not include any receivables from directors and officers of the company

Note - 16: Cash and cash equivalents — ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks in current account	2,576.61	660.20
Cash on hand	1.23	0.78
Total	**2,577.84**	**660.98**

Note - 17: Loans (Current) — ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Inter corporate deposit	11,446.15	11,477.15
Other Loan	450.00	450.00
Total	**11,896.15**	**11,927.15**
Sub-classification of Loans		
Loan Receivables Considered Good-Secured	-	-
Loan Receivables Considered Good-Unsecured	11,896.15	11,927.15
Loan Receivables which have significant increase in credit Risk	-	-
Loan Receivables- Credit Impaired	-	-

Note - 18: Finance lease receivables (Current) — ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Finance lease receivables (Refer Note 9)	27,562.03	24,610.71
Total	**27,562.03**	**24,610.71**

Note - 19: Other financial assets (Current) — ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered Good		
Interest receivable	1,014.76	617.21
Total	**1,014.76**	**617.21**

Note - 20: Other current assets — ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Capital Advance	2,751.31	-
Indirect tax balances/recoverable/credits	3,006.99	3,217.98
Other assets*	277.30	600.06
Total	**6,035.60**	**3,818.04**

*Other Assets includes prepaid insurance, other prepaid expenses, advances etc.

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Note - 21: Equity share capital

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital		
55,00,00,000 (previous year 55,00,00,000) equity shares of ₹ 10 each	**55,000.00**	**55,000.00**
Issued, subscribed and fully paid up capital		
10,00,000 (previous year 10,00,000) equity shares of ₹ 10 each	100.00	100.00
Total	**100.00**	**100.00**

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

Equity Shares	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Shares outstanding at the beginning of the year	10,00,000	100.00	10,00,000	100.00
Add: Issued during the year	-	-	-	-
Less: Cancelled during the year	-	-	-	-
Outstanding at the end of the year	**10,00,000**	**100.00**	**10,00,000**	**100.00**

21.2 Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holder.

21.3 Details of shares held by the Holding Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Sajjan Jindal & Sangita Jindal, as trustee of Sajjan Jindal Family trust	10,00,000	100.00	10,00,000	100.00

21.4 Disclosure of shares held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% of holding	No. of shares	% of holding
Sajjan Jindal & Sangita Jindal, as trustee of Sajjan Jindal Family trust	10,00,000	100%	10,00,000	100%

Note - 22: Other Equity

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Reserve		
Balance at beginning of the year	97.49	97.49
Balance at end of the year	**97.49**	**97.49**
Retained Earnings		
Surplus in the statement of profit and loss		
Balance at beginning of the year	28,194.96	2,888.69
Add: Profit for the year	2,505.53	20,306.27
Less: Transfer from debenture redemption reserve	16,250.00	5,000.00
Balance at end of the year	**46,950.49**	**28,194.96**
Other reserve		
Debenture Redemption Reserve		
Balance at beginning of the year	16,250.00	21,250.00
Add: Transfer to retained earnings	(16,250.00)	(5,000.00)
Balance at end of the year	-	**16,250.00**
Other comprehensive income		
Reserve for equity instruments through Other Comprehensive Income		
Balance at beginning of year	6.36	5.77
Net fair value gain/(Loss) on investments in equity instruments at FVTOCI	(0.98)	1.21
Income tax on net fair value gain/(Loss) on investments in equity instruments at FVTOCI	0.11	(0.62)
Balance at end of the year	**5.49**	**6.36**
Reserve for defined benefit obligation carried through Other Comprehensive Income		
Balance at beginning of year	7.82	2.50
Net Gain on defined benefit obligation carried to OCI during the year	5.00	8.18
Income tax on net fair value gain on investments in equity instruments at FVTOCI	(1.75)	(2.86)
Balance at end of the year	**11.07**	**7.82**
Total	**47,064.54**	**44,556.62**

Nature and Purpose of Reserves

a) Capital Reserve:- During amalgamation, the excess of net assets acquired, over the cost of consideration paid is treated as capital reserve.

b) Retained Earning:- Retained earning are the profits that the company has earned till date, less any transfers to general Reserve and debenture redemption reserve add any transfer from debenture redemption reserve.

c) Debenture Redemption Reserve:- Up to previous year, the Indian Companies Act required companies that issue debentures to create a debenture redemption reserve (DRR) from annual profits until such debentures are redeemed. Companies were required to maintain 25% as a reserve of outstanding redeemable debentures. Accordingly, the Company created DRR at 25% in the penultimate year to the year in which the repayment obligation arises on the Company. The amounts credited to the debenture redemption reserve was not be utilised except to redeem debentures. On redemption the amount was to be reclassified to Retained Earnings.

As per the recent amendment in Companies Act, 2013, issued by the Ministry of Corporate Affairs, listed companies are not required to create debenture redemption reserve (DRR). Accordingly, the Company has transferred the such reserve balance to general reserve as on 31 March 2020.

d) Items of other comprehensive income

i) Equity instruments through Other comprehensive Income:- The fair value change of equity instrument measured at fair value through other comprehensive income is recognised in equity instrument through other comprehensive Income and subsequently not reclassified to the statement of Profit and Loss.

ii) Reserve for Defined benefit obligation carried through Other Comprehensive Income :- The amount of changes in the Liabilities over the year due to changes in actuarial assumptions or experience adjustments is recognised in "Reserve for defined benefit obligation carried through Other comprehensive income" and subsequently not reclassified to the statement of Profit & Loss.

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Note 23: Borrowings (Non-current)

₹ in lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current maturities	Non-current	Current maturities
At amortised Cost				
(i) Secured				
Rupee term loans from banks	50,140.00	20,260.00	65,900.00	19,520.00
External commercial borrowings	-	-	-	9,456.27
(ii) Unsecured debentures				
4,333 (Previous year: 6,500) Rated, Listed, Zero-Coupon, Redeemable, Non-convertible Debentures of ₹10,00,000 each	-	43,330.00	65,000.00	-
(iii) Unsecured term loans from related parties				
From Body Corporate	50,000.00	17,500.00	-	-
	1,00,140.00	81,090.00	1,30,900.00	28,976.27
Unamortised upfront fees on borrowing	(16.10)	(33.32)	(73.71)	(53.60)
	1,00,123.90	81,056.68	1,30,826.29	28,922.67
Less: Amount clubbed under other Financial Liabilities (Note 28)	-	81,056.68	-	28,922.67
Total	**1,00,123.90**	-	**1,30,826.29**	-

Pursuant to the Covid 19 pandemic, the Reserve Bank of India, vide its notification reference RBI/2019-20/186 dated 27 March 2020, announced a "Covid 19 Regulatory Package" to mitigate the adverse impact of the pandemic and ensure continuity of viable businesses. As per this package banks were inter alia permitted to grant a moratorium of three months on payment of all instalments (principal and interest) on Term loans falling due between 1 March 2020 and 31 May 2020. The Company opted to avail the package relating to term loans and the same was approved by the lenders in line with RBI's notification. Accordingly, the financial statement has been prepared giving effect to the above.

Secured Loans:

23.1 Details of security:

The term loans are secured by first pari-passu mortgage and charges on all movable and immovable properties including land taken on lease from JSW Steel Limited, both present and future and pledge of 50% of the paid share capital of the Company by the promoters.

23.2 Rate of interest

(A) Indian rupee term loan from banks carries interest @ 9.80% to 9.95%

23.3 Terms of Repayment:

(A) Rupee term loans from banks

(i) ₹ 4,500.00 lakhs term loan facility is repayable in Single instalment of ₹4,500.00 lakhs on 30.09.2020
(ii) ₹ 30,000.00 lakhs term loan facility is repayable in 4 equal quarterly instalments of ₹7,500.00 lakhs from 31.12.2020 to 30.09.2021.
(iii) ₹ 34,000.00 lakhs term loan facility is repayable in 4 equal quarterly instalments of ₹8,500.00 lakhs from 31.12.2021 to 30.09.2022.
(iv) ₹ 1,900.00 lakhs term loan facility is repayable in 5 equal quarterly instalments of ₹380.00 lakhs from 15.10.2020 to 15.10.2021.

Unsecured Loans:

23.4 Rate of interest

(A) Indian rupee term loan from related party carries interest @ 9.00 % to 10.00%

23.5 Terms of redemption and security details of Non-Convertible Debentures (NCDs):

4,333 (previous year: 6,500) Rated, Listed, Zero Coupon, Redeemable , Non-convertible Debentures (NCDs) allotted on 20th March, 2017 are redeemable at a premium of 10.30% IRR not later than:

(i) 46 months and 15 days from the date of allotment in respect of 2,500 NCDs.
(ii) 42 months and 15 days from the date of allotment in respect of 1,833 NCDs.

The aforesaid NCDs are secured by third party pledge of 2,58,96,000 (PY 2,58,96,000) equity shares of JSW Steel Limited held by JSW Holdings Limited, 1,93,54,051 (PY 88,61,000) equity shares of JSW Steel Limited held by Sahyog Holdings Private Limited and 5,18,27,162 (PY 9,06,28,000) equity shares of JSW Energy Limited held by JSW Investments Private Limited, 7,57,82,000 (PY 1,01,62,000) equity shares of JSW Energy Limited held by Indusglobe Multiventures Private Limited. Refer Note 45

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Note - 24: Provisions (Non-current) ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for gratuity (Refer Note 42)	48.16	91.61
Provision for leave encashment (Refer Note 42)	31.32	49.73
Total	**79.48**	**141.34**

The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

Note- 25: Deferred tax liabilities (Net) ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities (net)	19,681.97	28,254.92
Less MAT Credit entitlement	(6,875.55)	(13,533.65)
Total	**12,806.42**	**14,721.27**

Note - 26: Other non-current liabilities ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Advance against BOOT agreement	4,937.73	4,937.73
Accrued premium on Non-convertible debentures	-	14,334.87
Payable for Capex	38.03	-
Total	**4,975.76**	**19,272.60**

Note - 27: Trade payables ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro and small enterprises	159.32	44.97
Total outstanding dues of creditors other than micro and small enterprises	2,978.96	7,568.19
Total	**3,138.28**	**7,613.16**

The average credit period on purchases of goods is 0 days to 180 days. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Note - 28: Other financial liabilities (current) ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term debt (Refer Note 23)	81,056.68	28,922.67
Loan from related party (Refer Note 45)	-	30,000.00
Interest accrued but not due on borrowings	16,779.17	816.28
Payable towards capital expenditure	44.34	334.10
Total	**97,880.19**	**60,073.05**

Note - 29: Provisions (Current) ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for gratuity (refer note 42)	6.88	22.78
Provision for leave encashment (refer note 42)	7.22	7.86
Total	**14.10**	**30.64**

The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

Note - 30: Other current liabilities ₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory liabilities	1,846.80	1,302.68
Other payables*	235.58	557.24
Total	**2,082.38**	**1,859.92**

*Other Payable includes payable for Employee benefits and other goods

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Note - 31: Revenue from operations ₹ in lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
a) Services Provided on Contract Basis		
Conversion charges*	34,846.86	45,659.60
Execution of contract Services	-	0.84
Power	7,742.25	6,287.92
Total (a)	**42,589.11**	**51,948.36**
b) Other operating income		
Rental income: Finance lease rental income	14,279.86	16,846.06
Sale of Products		
Steam	100.28	-
Total (b)	**14,380.14**	**16,846.06**
Total (a+b)	**56,969.25**	**68,794.42**

*Conversion charges as per Indian Generally Accepted Accounting Policies (IGAAP) is ₹ 73,692.50 Lakhs which has been reduced by ₹ 38,845.64 Lakhs on account of International Financial Reporting Interpretations Committee (IFRIC) 4 adjustment and shown separately under other operating income as Rental income: Finance lease rental income of ₹ 14,279.86 Lakhs resulting in net decrease of revenue from operations by ₹ 24,565.78 Lakhs.

Ind AS 115 Revenue from Contracts with Customers
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.

The Company has assessed that impact of COVID 19 on its revenue stream due to disruption in supply chain, drop in demand, termination or deferment of contracts by customers etc. and have recognised revenue only when the control over the goods or services is transferred to the customer.

The Company sales to customers was affected in the last week of March 2020 as measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses in India, resulting in an economic slowdown.

Note - 32: Other income ₹ in lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
a) Interest income		
Investment in debt instruments carried at deemed cost	-	5,968.77
Bank deposits carried at amortised cost	49.28	192.02
Other financial assets carried at amortised cost	1,320.29	1,151.62
	1,369.57	**7,312.41**
b) Dividend income		
Dividend from equity instruments designated as at FVTOCI	0.04	0.03
Dividend from investment in mutual fund measured at FVTPL	4.31	145.14
	4.35	**145.17**
c) Miscellaneous income		
Fair value from investment in preference shares measured at FVTPL	3,708.18	2,446.15
Others (scrap sales, interest on income tax refund, pledge fees, etc.)	455.59	440.19
	4,163.77	**2,886.34**
Total (a+b+c)	**5,537.69**	**10,343.92**

Note - 33: Cost of materials and services consumed ₹ in lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Consumption of stores, spares, gases and water	7,171.62	6,201.53
Power and fuel	1,283.96	737.14
Conversion charges	9,865.38	10,835.92
Total	**18,320.96**	**17,774.59**

Note - 34: Employee benefits expense ₹ in lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Salaries and wages	609.71	638.69
Contribution to provident and other funds (refer note 42.1.a)	21.59	24.27
Staff welfare expenses	5.66	5.22
Total	**636.96**	**668.18**

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Note - 35: Finance costs ₹ in lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
a) Interest costs :-		
Interest on external commercial borrowing and term loans	12,378.42	10,004.81
Premium on Non Convertible Debentures	8,077.61	8,199.91
Interest on Lease	17.22	-
	20,473.25	**18,204.72**
b) Other borrowing cost		
Pledge Fees	717.87	921.33
Others finance Charges	131.73	181.55
	849.60	**1,102.88**
Total (a+b)	**21,322.85**	**19,307.60**

Note - 36: Depreciation and amortisation expense (refer note 5) ₹ in lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Depreciation of property, plant and equipment	2,090.76	2,355.56
Amortisation of intangible assets and right of use asset	87.24	15.25
Total	**2,178.00**	**2,370.81**

Note - 37: Other expenses ₹ in lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Rent, rates and taxes	403.99	275.39
Repairs and maintenance of plant & machinery	7.01	-
Insurance	254.06	123.70
Legal and professional fees	578.94	2,749.54
Travelling expenses	12.28	113.61
Net loss on foreign currency transactions and translation	2.96	15.51
Remuneration to auditors (refer note 52)	10.40	10.60
CSR expenditure	520.00	405.56
Donation	-	500.69
Fair value Loss arising from Financial instruments designated as FVTPL	15,337.32	7,350.66
Guest house expenses	1,016.60	964.91
Miscellaneous expenses	649.13	32.25
Total	**18,792.69**	**12,542.42**

Note - 38: Current tax ₹ in lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
In respect of the current year		
Current tax expense	6,984.15	11,894.60
Less: - MAT credit entitlement	-	-
	6,984.15	**11,894.60**
In respect of the prior years	340.38	-
Total	**7,324.53**	**11,894.60**

Note - 39: Deferred tax ₹ in lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Recognised/(reversed) through profit and loss (refer note 50.a)	(8,574.58)	(5,726.13)
Total	**(8,574.58)**	**(5,726.13)**

Note - 40: Other comprehensive income ₹ in lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
A (i) Items that will not be reclassified to profit or loss		
Equity instruments through other compressive income	(0.98)	1.21
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.11	(0.62)
B (i) Items that may be reclassified to profit or loss		
Re- Measurement of the defined benefit plans	5.00	8.18
(ii) Income tax relating to items that may be reclassified to profit or loss	(1.75)	(2.86)
Total	**2.38**	**5.91**

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41. Other disclosures

41.1 The Company has entered into lease agreement with JSW Steel Limited, for 39.81 acres (Previous year 39.81 acres) of land situated at Kurekupaa Village. As per the terms of lease deed, the Company has paid refundable security deposit of ₹ 5,00,000 per acre (Total amount ₹ 1,99,05,000). An annual lease rental of ₹ 100 per acre of land is payable in advance on the first day of April each year.

41.2 The Company is yet to receive balance confirmations in respect of certain trade payable, other payable, trade receivable, other receivable and loan and advances. The Management does not expect any material difference affecting the current year's financial statements due to the same.

41.3 In the opinion of the Management, all the assets other than Fixed Assets and Non-Current Investments have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. Provision for depreciation and all known liabilities is adequate and not in excess of what is required.

41.4 Contingent liabilities current year Nil (previous year: Nil).

41.5 On 11 March 2020, the World Health Organization characterized the outbreak of a strain of the new coronavirus ("COVID-19") as a pandemic. This outbreak is causing significant disturbances and slow down of economic activity.
The Company's operations were impacted in the month of March 2020, due to scaling down / suspending production of the Direct Reduced Iron Plant (DRI) plant following nationwide lockdown announced by the Government of India in view of COVID-19.
The Government of India permitted certain additional activities from 20 April 2020 in non-containment zones, subject to requisite approvals as may be required. The Company has accordingly commenced operations at its DRI Plant.

41.6 The Board of Directors of the Company had, at its meeting held on March 4, 2020, approved the proposal to hold a majority stake in B.M.M. Ispat Limited with investment in Equity share capital (including equity linked securities). The investment was subject to approval of Competition Commission of India (CCI) and compliance of certain conditions precedent/ closing conditions. The Company has received approval from CCI on April 24, 2020 and the said transaction is under progress as on date.

41.7 **Commitments**

₹ in Lakhs

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
a) Capital Commitment Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**2,096.06**	-

42. Employee benefits plans

42.1 Defined contribution plan

The Company operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the Company in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Company are reduced by the amount of forfeited contributions.

42.1.a The Company makes Provident Fund and Pension Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 16.52 Lakhs (Year ended 31st March, 2019 ₹ 18.91 Lakhs) for Provident Fund contributions and ₹ 3.97 Lakhs/- (Year ended 31st March, 2019 ₹ 4.09 Lakhs) for Pension Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

42.2 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, 60 and 62, without any payment ceiling. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years. Under the Compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company. 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 March 31, 2020 by M/S K A Pandit, Consultants & Actuaries. 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.

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42.2.a The Company offers the following employee benefit schemes to its employees:

i. Gratuity (Unfunded)

The following table sets out the unfunded status of the defined benefit schemes and the amount recognised in the financial statements:

₹ in Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	Gratuity	Gratuity
Components of employer expense		
Current service cost	6.58	7.10
Interest cost	8.91	8.34
Expected return on plan assets	-	-
Actuarial gains	(5.00)	(8.18)
Total expense recognised in the Statement of Profit and Loss	**10.49**	**7.25**
Actual contribution and benefit payments for year		
Actual benefit payments	-	
Actual contributions	10.49	7.25
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	55.05	114.39
Fair value of plan assets	-	-
Funded status [Surplus] (A)	55.05	114.39
Unrecognised past service costs (B)	-	-
Net asset liability recognised in the Balance Sheet (A+B)	**(55.05)**	**(114.39)**

ii. Other Long-term benefits

a) 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. Employee are entitled to encash leave while serving in the Company at the rate of daily salary, as per current accumulation of leave days.

b) Long Service Award : The Company has a policy to recognise the long service rendered by employees and celebrate their long association with the Company. This scheme is called – Long Association of Motivation, Harmony & Excitement(LAMHE). The award is paid at milestone service completion years of 10, 15, 20 and 25 years.

₹ in Lakhs

42.2.b

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	Gratuity	Gratuity
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	114.39	107.14
Current service cost	6.58	7.10
Interest cost	8.91	8.34
Actuarial (gains) / losses	(5.00)	(8.18)
Liability transferred out/divestment	(69.83)	-
Benefits paid	-	-
Present value of DBO at the end of the year	**55.05**	**114.39**
Change in fair value of assets during the year		
Plan assets at beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial gain / (loss)	-	-
Benefits paid	-	-
Plan assets at the end of the year	-	-
Actual return on plan assets	-	-

Actuarial assumptions	Year ended March 31, 2020	Year ended March 31, 2019
Discount rate	6.89%	7.79%
Expected return on plan assets	NA	NA
Salary escalation	6.00%	6.00%
Withdrawal Rates	2%	
Medical cost inflation		
Mortality tables	Indian Assured Lives Mortality (2006-08)	
Actuarial Valuation Method	Projected Unit Credit Method	
Estimate of amount of contribution in the immediate next year	NA	NA

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factor.

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42.2.c Experience adjustments

₹ in Lakhs

Gratuity	2019-20	2018-19	2017-18	2016-17	2015-16
Present value of DBO	55.05	114.39	107.14	97.55	82.70
Fair value of plan assets	-	-	-	-	-
[Surplus / (Deficit)]	5.00	8.18	(4.10)	(4.75)	12.66
Experience adjustments on plan liabilities	-	-	-	-	-
Experience adjustments on plan assets	-	-	-	-	-

In assessing the Company's post retirement liabilities, the company monitors assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate.

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

The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations

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

₹ in Lakhs

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(4.67)	5.45	(6.40)	7.24
Future salary growth (1% movement)	5.45	(4.74)	7.30	(6.56)
Attrition rate (1% movement)	0.38	(0.42)	0.84	(0.94)

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. The present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

42.2.e Compensated Absences:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Present value of unfunded obligation (₹ in Lakhs)	55.05	114.39
Expense recognised in Statement of profit and loss (₹ in Lakhs)	15.49	15.43
Discount rate (p.a)	6.89%	7.79%
Salary escalation rate (p.a)	6.00%	6.00%

43 Segment information
As per Ind AS 108, the Company is primarily engaged in the business of job work for CDQ ,DRI and generation of power for captive use, being intermediate products used for steel production.
The Chief Operating Decision Maker (CODM) of the Company has chosen to review the profitability of CDQ/DRI and Power business collectively treating it as profit from CDQ/DRI business. Hence, the Company has identified one primary business segment i.e., CDQ/DRI. There is only one geographical segment i.e. India.

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44. Financial instruments

44.1 Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt and total equity of the Company.

44.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows.

₹ in Lakhs

Particulars	As at March 31, 2020 ₹ in Lakhs	As at March 31, 2019 ₹ in Lakhs
Debt*	1,81,230.00	1,59,876.27
Cash and bank balances	(2,577.84)	(660.98)
Net debt	**1,78,652.16**	**1,59,215.29**
Total equity**	**47,164.54**	**44,656.62**
Net debt to equity ratio	**3.79**	**3.57**

*Debt is defined as long-term (excluding derivative, financial guarantee contracts and contingent consideration), as described in earlier notes

** Total Equity is defined as Share Capital and Other Equity in balance sheet

44.2 Categories of financial instruments

₹ in Lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying values ₹ in Lakhs	Fair values ₹ in Lakhs	Carrying values ₹ in Lakhs	Fair values ₹ in Lakhs
Financial assets				
Measured at amortised cost				
Loans	13,130.02	13,130.02	12,799.89	12,799.89
Other financial assets	1,699.94	1,699.94	1,522.94	1,522.94
Finance lease receivable	1,14,729.50	1,14,729.50	1,38,669.88	1,38,669.88
Trade receivables	4,003.72	4,003.72	7,664.80	7,664.80
Cash and cash equivalents	2,577.84	2,577.84	660.98	660.98
Total Financial Assets carried at amortised cost (A)	**1,36,141.02**	**1,36,141.02**	**1,61,318.49**	**1,61,318.49**
Measured at deemed cost				
Current investment in non-convertible debentures	-	-	-	-
Non Current investment in non-convertible debentures	-	-	20,700.00	20,700.00
Total Financial Assets carried at deemed cost (B)	**-**	**-**	**20,700.00**	**20,700.00**
Measured at fair value through profit and loss				
Non-current investments in preference shares	45,446.69	45,446.69	29,375.83	29,375.83
Current investments in mutual funds	-	-	-	-
Current investments in Others	49,038.65	49,038.65	34,000.00	34,000.00
Total Financial Assets at fair value through profit and loss (C)	**94,485.34**	**94,485.34**	**63,375.83**	**63,375.83**
Measured at fair value through other comprehensive income				
Non-current investments in equity instruments	8.90	8.90	9.88	9.88
Total Financial Assets at fair value through profit and loss (D)	**8.90**	**8.90**	**9.88**	**9.88**
Total Financial Assets (A+B+C+D)	**2,30,635.26**	**2,30,635.26**	**2,45,404.19**	**2,45,404.19**
Financial liabilities				
Measured at amortised cost				
Non-current liabilities				
Non-current borrowings	1,00,123.90	1,00,123.90	1,30,826.29	1,30,826.29
Lease Liabilities	34.41	34.41	-	-
Current liabilities				
Trade payables	3,138.28	3,138.28	7,613.16	7,613.16
Lease Liabilities	93.45	93.45	-	-
Other financial liabilities	97,880.19	97,880.19	60,073.05	60,073.05
Financial Liabilities measured at amortised cost	**2,01,270.23**	**2,01,270.23**	**1,98,512.50**	**1,98,512.50**
Total Financial Liabilities	**2,01,270.23**	**2,01,270.23**	**1,98,512.50**	**1,98,512.50**

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44.3 Financial risk management objectives

The Company's Corporate Treasury function provides services to business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Corporate Treasury function reports quarterly to the Company's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

44.4 Market risk

Forward foreign exchange contracts to hedge the exchange rate risk arising in the normal course of business.

44.5 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts and currency options.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

₹ in Lakhs

Particulars	As at March 31, 2020					As at March 31, 2019				
	USD-INR	EURO-INR	INR	Others	Total	USD-INR	EURO-INR	INR	Others	Total
Financial assets										
Non-current financial assets										
Investments	-	-	45,455.58	-	45,455.58	-	-	50,085.70	-	50,085.70
Loans	-	-	1,233.87	-	1,233.87	-	-	872.74	-	872.74
Finance lease receivables	-	-	87,167.47	-	87,167.47	-	-	1,14,059.17	-	1,14,059.17
Other financial assets	-	-	685.18	-	685.18	-	-	905.73	-	905.73
Total non-current financial assets	-	-	**1,34,542.11**	-	**1,34,542.11**	-	-	**1,65,923.34**		**1,65,923.34**
Current financial assets										
Investments	-	-	49,038.65	-	49,038.65	-	-	34,000.00	-	34,000.00
Trade receivables	-	-	4,003.72	-	4,003.72	-	-	7,664.80	-	7,664.80
Cash and cash equivalents	-	-	2,577.84	-	2,577.84	-	-	660.98	-	660.98
Finance lease receivables	-	-	27,562.03	-	27,562.03	-	-	24,610.71	-	24,610.71
Other financial assets	-	-	1,014.76	-	1,014.76	-	-	617.21	-	617.21
Loans	-	-	11,896.15	-	11,896.15	-	-	11,927.15	-	11,927.15
Total current financial assets	-	-	**96,093.15**	-	**96,093.15**	-	-	**79,480.85**	-	**79,480.85**
Total financial assets	-	-	**2,30,635.25**	-	**2,30,635.25**	-	-	**2,45,404.19**	-	**2,45,404.19**
Financial liabilities										
Non current financial liabilities										
Borrowings	-	-	1,00,123.90	-	1,00,123.90	-	-	1,30,826.29	-	1,30,826.29
Lease Liabilities	-	-	34.41	-	34.41	-	-	-	-	-
Total non-current financial	-	-	**1,00,158.31**	-	**1,00,158.31**	-	-	**1,30,826.29**	-	**1,30,826.29**
Current financial liabilities										
Trade payables	-	-	3,138.28	-	3,138.28	-	-	7,613.16	-	7,613.16
Lease Liabilities	-	-	93.45	-	93.45	-	-	-	-	-
Other financial liabilities	-	-	97,880.19	-	97,880.19	2,835.96	6,620.07	50,617.02	-	60,073.05
Total current financial liabilities	-	-	**1,01,111.92**	-	**1,01,111.92**	**2,835.96**	**6,620.07**	**58,230.17**	-	**67,686.21**
Total financial liabilities	-	-	**2,01,270.23**	-	**2,01,270.23**	**2,835.96**	**6,620.07**	**1,89,056.46**	-	**1,98,512.50**
Excess of financial liabilities over financial assets	-	-	**(29,365.03)**	-	**(29,365.03)**	**2,835.96**	**6,620.07**	**(56,347.73)**	-	**(46,891.69)**
Net exposure of foreign currency	-	-	**(29,365.03)**	-	**(29,365.03)**	**2,835.96**	**6,620.07**	**(56,347.73)**	-	**(46,891.69)**

44.5.1 Foreign currency sensitivity analysis

The Company is mainly exposed to USD and EURO currency.

The above table details the Company's sensitivity to a 10% increase and decrease in the INR against relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency risk denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A negative number below indicates an increase in profit/equity where the INR strengths 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a comparable impact on the profit/equity and the balances below would be positive.

₹ in Lakhs

Particulars	As at March 31, 2020					As at March 31, 2019				
	USD-INR	EURO-INR	INR	Others	Total	USD-INR	EURO-INR	INR	Others	Total
Sensitivity impact on Net liabilities/(assets) exposure at 10%	-	-	**NA**	-	-	**283.60**	**662.01**	**NA**	-	**945.60**

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44.5.2 Forward foreign exchange contracts

It is the policy of the Company to enter into forward foreign exchange contracts to cover specific foreign currency payments related to ECB repayment.

44.6 Interest rate risk management

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 Company has exposure to interest rate risk, arising principally on changes in MCLR and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

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

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed rate borrowings	1,10,830.00	67,835.96
Floating rate borrowings	70,400.00	92,040.31
Total	**1,81,230.00**	**1,59,876.27**
Less upfront fees	(49.42)	(127.31)
Total Borrowing (Refer note 23)	**1,81,180.58**	**1,59,748.96**

44.6.1 Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides a break-up of the Company's fixed and floating rate borrowings and interest rate sensitivity analysis.

₹ in Lakhs

Loan Currency	As at March 31, 2020						
	Gross amount	Hedged by interest rate swaps	Loans exposed to interest rate risk	Loans eligible for Borrowing cost	Loans Impact on Income Statement	Interest rate risk	Sensitivity @ 0.50%
Fixed Loan							
USD-INR	-	-	-	-	-	-	-
INR	1,10,830.00	-	-	-	-	-	-
Variable Loan							
EURO-INR	-	-	-	-	-	-	-
INR	70,400.00	-	70,400.00	-	70,400.00	352.00	352.00
Total	**1,81,230.00**	**-**	**70,400.00**	**-**	**70,400.00**	**352.00**	**352.00**

₹ in Lakhs

Loan Currency	As at March 31, 2019						
	Gross amount	Hedged by interest rate swaps	Loans exposed to interest rate risk	Loans eligible for Borrowing cost	Loans Impact on Income Statement	Interest rate risk	Sensitivity @ 0.50%
Fixed Loan							
USD-INR	2,835.96	2,835.96	-	-	-	-	-
INR	65,000.00	-	-	-	-	-	-
Variable Loan							
EURO-INR	6,620.07	-	6,620.07	-	6,620.07	33.10	33.10
INR	85,420.00	-	85,420.00	-	85,420.00	427.10	427.10
Total	**1,59,876.03**	**2,835.96**	**92,040.07**	**-**	**92,040.07**	**460.20**	**460.20**

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44.7 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 credit worthiness 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. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

Trade receivables consist of one major customer, being its one of the group company named JSW Steel Limited. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

44.7.1 Collateral held as security and other credit enhancements

The Company does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

44.8 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. Ultimate responsibility for liquidity risk management rests with the board of directors, which 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. [Note 44.8.1 below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.]

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. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

₹ in Lakhs

Particulars	As at March 31, 2020				As at March 31, 2019			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
Financial assets								
Non-current								
Investments	-		45,455.58	45,455.58	-	20,709.88	29,375.83	50,085.71
Loans	-	1,233.87	-	1,233.87	-	872.74	-	872.74
Finance lease receivables	-	87,167.47	-	87,167.47	-	1,14,059.17	-	1,14,059.17
Other financial assets	-	685.18		685.18	-	905.73		905.73
Total non-current financial assets	**-**	**89,086.52**	**45,455.58**	**1,34,542.11**	**-**	**1,36,547.52**	**29,375.83**	**1,65,923.35**
Current								
Investments	49,038.65	-	-	49,038.65	34,000.00	-	-	34,000.00
Trade receivables	4,003.72	-	-	4,003.72	7,664.80	-	-	7,664.80
Cash and cash equivalents	2,577.84	-	-	2,577.84	660.98	-	-	660.98
Finance lease receivables	27,562.03	-	-	27,562.03	24,610.71	-	-	24,610.71
Other financial assets	1,014.76	-	-	1,014.76	617.21	-	-	617.21
Loans	11,896.15	-	-	11,896.15	11,927.15	-	-	11,927.15
Total current financial assets	**96,093.15**	**-**	**-**	**96,093.15**	**79,480.85**	**-**	**-**	**79,480.85**
Total financial assets	**96,093.15**	**89,086.52**	**45,455.58**	**2,30,635.25**	**79,480.85**	**1,36,547.52**	**29,375.83**	**2,45,404.19**
Financial liabilities								
Non-current								
Borrowings	-	1,00,123.90	-	1,00,123.90	-	1,30,826.29	-	1,30,826.29
Lease Liabilities	-	34.41	-	34.41				
Total non-current financial liabilities	**-**	**1,00,158.31**	**-**	**1,00,158.31**	**-**	**1,30,826.29**	**-**	**1,30,826.29**
Current								
Acceptances	-	-	-	-	-	-	-	-
Trade payables	3,138.28	-	-	3,138.28	7,613.23	-	-	7,613.23
Other financial liabilities	97,880.19	-	-	97,880.19	60,072.98	-	-	60,072.98
Total current financial liabilities	**1,01,018.47**	**-**	**-**	**1,01,018.47**	**67,686.20**	**-**	**-**	**67,686.20**
Total financial liabilities	**1,01,018.47**	**1,00,158.31**	**-**	**2,01,176.78**	**67,686.20**	**1,30,826.29**	**-**	**1,98,512.49**

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44.8.1

₹ in Lakhs

Financing facilities	As at March 31, 2020	As at March 31, 2019
(i) Unsecured bank loan with various maturities		
a. amount used	-	-
b. amount unused	-	-
	-	-
(ii) Secured Terms loans from banks		
a. amount used	70,400.00	74,876.27
b. amount unused	7,000.00	7,000.00
Total	**77,400.00**	**81,876.27**

44.9 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets. Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting year. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

₹ in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	Level*	Valuation technique and key inputs
Financial assets				
Non-current investments				
Investment in unquoted equity instruments				
JSW Techno Projects Management Limited	4.08	4.08	3	Net assets method was used to capture the present value of the expected future economic benefits that will flow to the entity due to the investments.
Investment in preference shares				
JSW Techno Projects Management Limited	45,446.69	29,375.83	3	Discounted rate method was used to capture the present value of the expected future economic benefits that will flow to the entity due to the investments.
Investment in quoted equity instruments				
JSW Steel Limited	2.44	2.93	1	The Average of weekly high and low of the volume weighted average Price of the equity shares during the twenty six weeks preceding the relevant date i.e. 31.03.2020
JSW Holdings Limited	2.37	2.86	1	

The outbreak of COVID-19 pandemic across the globe and in India and consequential nationwide lock down since 24th March, 2020, has caused a significant decline and volatility in the global as well as Indian financial markets and slowdown in the economic activities.

The management has assessed the potential impact of COVID-19 on the Company and based on its review fair valuation of financial assets that are classified as Level 1,has got impacted due to substantial fall in the market price of quoted shares in view of volatility in the stock markets. Since the market price of quoted shares as on 31st March, 2020 do not reflect the correct fair value, the Company, in accordance with the valuation principles laid down as per Ind AS – 113, has made appropriate adjustment to arrive at the proper fair value of these shares by considering the average of weekly high and low of volume weighted average price for 26 weeks immediately preceding the fair valuation date viz. 31st March, 2020.

Sensitivity analysis of Level 3

Particulars	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investment in unquoted preference shares	DCF method	Discounting rate	0.50%	**0.50% increase/(decrease) in the discount would decrease/(increase) the fair value by ₹ 227.23 Lakhs**

Reconciliation of Level 3 fair value measurement

Particulars	₹ in Lakhs
Balance as at 1 April 2018	**19,784.47**
Additions made during the period	14,500.00
Allowance for loss	(7,350.66)
Gain recognised in the statement of profit and loss	2,446.10
Balance as at 31 March 2019	**29,379.91**
Additions made during the period	27,700.00
Allowance for loss	(15,337.32)
Gain recognised in the statement of profit and loss	3,708.18
Balance as at 31 March 2020	**45,450.77**

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45. Related Party Transactions

45.a. Names of the related parties and description of relationship

Sr. No.	Nature of relationship	Name of Related Parties
1	Holding Company/Trust	Sajjan Jindal & Sangita Jindal, as trustee of Sajjan Jindal Family trust
2	Key management personnel	Mr. Bhushan Prasad (Chief Financial Officer) Ms. Ojasvi Damle (Company Secretary) Mr. Nagendra Kumar Paladugu (Whole time director) Mr. Vineet Agrawal
3	Others	JSW Steel Limited JSW Techno Projects Management Limited Realcom Reality Private Limited JSW Steel Coated Products Limited JSW Paints Private Limited JSW Holdings Limited Sahyog Holdings Private Limited Indusglobe Multiventures Private Limited JSW Industrial Gases Private Limited JSW Reality & Infrastructure Private Limited JSW Energy Limited Vividh Finvest Private Limited Epsilon Carbon Private Limited Vinamra Properties Private Limited JSW Foundation Amba River Coke Limited JSW GMR Cricket Private Limited JSW Dharamatar Port Private Limited JTPM Metal Traders Private Limited Descon Limited JSW Investment Private Limited JSW Cement Limited JTPM Metal Traders Private Limited

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45.b.1. Transactions during the year with related parties:

₹ in Lakhs

Sr. No.	Particulars	Key management personnel		Others		Total	
		For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
1	**Sale of goods/services/finance lease**						
	JSW Steel Limited	-	-	81,535.03	90,756.66	81,535.03	90,756.66
	JSW GMR Cricket Private Limited	-	-	125.33	-	125.33	-
	JSW Energy Limited	-	-	-	77.00	-	77.00
2	**Dividend Income**						
	JSW Steel Limited	-	-	0.04	0.03	0.04	0.03
3	**Scrap Sale**						-
	JSW Steel Limited	-	-	48.24	37.56	48.24	37.56
4	**Purchase of Material**						
	JSW Steel Limited	-	-	2,444.03	3,745.64	2,444.03	3,745.64
	JSW Steel Coated Products Limited	-	-	5.86	18.50	5.86	18.50
5	**Purchase of capital goods**						
	JSW Cement Limited	-	-	22.25	-	22.25	-
	JSW Steel Coated Products Limited	-	-	5.52	-	5.52	-
	JSW Steel Limited	-	-	79.83	37.25	79.83	37.25
6	**Interest Income**						
	JSW Techno Projects Management Limited	-	-	-	5,968.77	-	5,968.77
	Realcom Reality Private Limited	-	-	-	63.11	-	63.11
7	**Lease rent Expenses**						
	Vinamra Properties Private Limited	-	-	92.93	84.48	92.93	84.48
	JSW Steel Limited	-	-	0.03	-	0.03	-
8	**Interest Expenses**						
	JSW Industrial Gases Private Limited	-	-	961.81	-	961.81	-
	JSW Dharamatar Port Private Limited	-	-	61.64	-	61.64	-
	JSW GMR Cricket Private Limited	-	-	186.89	-	186.89	-
	Descon Limited	-	-	105.00	-	105.00	-
	Amba River Coke Limited	-	-	3,000.00	24.66	3,000.00	24.66
	JSW Techno Projects Management Limited	-	-	5.08	-	5.08	-
9	**Operation and Maintenance services**						
	JSW Techno Projects Management Limited	-	-	8,995.49	9,429.53	8,995.49	9,429.53
10	**Reimbursement of expenses incurred on our behalf**						
	JSW Steel Limited	-	-	462.17	367.26	462.17	367.26
	JSW Energy Limited	-	-	-	-	-	-
	JSW Realty & Infrastructure Private Limited	-	-	7.82	14.08	7.82	14.08
11	**Managerial remuneration**						
	Mr. Bhushan Prasad	63.52	79.33	-	-	63.52	79.33
	Ms. Ojasvi Damle	13.85	1.99	-	-	13.85	1.99
	Mr. Nagendra Kumar Paladugu	54.73	69.23	-	-	54.73	69.23
12	**Pledge fees Expenses**						
	JSW Investments Private Limited	-	-	246.56	306.57	246.56	306.57
	JSW Holdings Limited	-	-	298.73	474.15	298.73	474.15
	JSW Techno Projects Management Limited	-	-	48.32	-	48.32	-
	Indusglobe Multiventures Private Limited	-	-	37.22	34.00	37.22	34.00
	Sahyog Holdings Private Limited	-	-	87.05	70.95	87.05	70.95
	Vividh Finvest Private Limited	-	-	-	35.66	-	35.66
13	**Professional Fees**						
	Everbest Consultancy Services Private Limited	-	-	55.00	-	55.00	-

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14	**Loans taken from**						
	JSW Industrial Gases Private Limited	-	-	13,000.00	-	13,000.00	-
	Amba River Coke Limited	-	-	-	30,000.00	-	30,000.00
	JSW GMR Cricket Private Limited	-	-	4,000.00	-	4,000.00	-
	JSW Dharamtar Port Private Limited	-	-	20,000.00	-	20,000.00	-
	JSW Techno Projects Management Limited	-	-	1,900.00	-	1,900.00	-
	JTPM Metal Traders Pvt Ltd	-	-	2,875.00	-	2,875.00	-
	Descon Limited	-	-	2,000.00	-	2,000.00	-
15	**Loans Given To**						
	Realcom Reality Private Limited	-	-	-	5,000.00	-	5,000.00
16	**Repayment of Loan**						
	JSW Industrial Gases Private Limited	-	-	1,500.00	-	1,500.00	-
	JTPM Metal Traders Pvt Ltd	-	-	2,875.00	-	2,875.00	-
	JSW Techno Projects Management Limited	-	-	1,900.00	-	1,900.00	-
17	**Loans Given received back**						
	Realcom Reality Private Limited	-	-	-	6,650.00	-	6,650.00
18	**Subscription made to preference share capital**						-
	JSW Techno Projects Management Limited	-	-	27,700.00	14,500.00	27,700.00	14,500.00
19	**Reimbursement of CSR Expenses**						
	JSW Foundation	-	-	471.09	144.55	471.09	144.55
20	**Reversal of Interest Income**						
	JSW Techno Projects Management Limited	-	-	567.75	-	567.75	-

Compensation to Key Management Personnel

₹ in Lakhs

Nature of Transaction	For the year ended March 31, 2020	For the year ended March 31, 2019
Short-Term employee benefits	132.10	150.55
Post-employment benefits	-	-
Other long-term benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	**132.10**	**150.55**

As the future liabilities for gratuity is provided on 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 of Goods/Services and finance Lease

The sales of Goods and Services provided to related parties are in the ordinary course of business. Sales and service transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended March 31, 2020, the Company has not recorded any loss allowances of trade receivable from related party.

Dividend:- Dividend income from related party is recognised on receipt basis

Interest Income: Interest income from related party is booked on accrual basis with interest rate decided at the time of Loans given and investment made.

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.

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45.b.2. Balance as at March 31, 2020

₹ in Lakhs

Sr. No.	Particulars	Others As at March 31, 2020	Others As at March 31, 2019	Total As at March 31, 2020	Total As at March 31, 2019
1	**Trade Payables**				
	JSW Steel Limited	-	1,679.56	-	1,679.56
	JSW Steel Coated Products Limited	6.51	-	6.51	-
	JSW Techno Projects Management Limited	520.66	1,758.34	520.66	1,758.34
2	**Security deposit for lease hold land**				
	JSW Steel Limited	143.08	144.85	143.08	144.85
3	**Trade Receivable**				
	Epsilon Carbon Private Limited	0.02	0.02	0.02	0.02
	JSW Paints Limited	0.06	-	0.06	-
	JSW Steel Limited	4,003.63	7,664.75	4,003.63	7,664.75
4	**Revenue advance given**				
	JSW Steel Coated Products Limited	-	1.49	-	1.49
5	**Investments in Non-Convertible debentures**				
	JSW Techno Projects Management Limited	-	20,700.00	-	20,700.00
6	**Investments in Equity shares at cost**				
	JSW Holdings Limited	1.51	1.51	1.51	1.51
	JSW Techno Projects Management Limited	0.01	0.01	0.01	0.01
	JSW Steel Limited	0.88	0.88	0.88	0.88
7	**Loans taken**				
	JSW GMR Cricket Private Limited	4,000.00	-	4,000.00	-
	JSW Dharamtar Port Private Limited	20,000.00	-	20,000.00	-
	JSW Industrial Gases Private Limited	11,500.00	-	11,500.00	-
	Descon Limited	2,000.00	-	2,000.00	-
	Amba River Coke Limited	30,000.00	30,000.00	30,000.00	30,000.00
8	**Interest payable**				
	JSW Industrial Gases Private Limited	856.85	-	856.85	-
	Descon Limited	94.50	-	94.50	-
	JSW Dharamtar Port Private Limited	55.47	-	55.47	-
	JSW GMR Cricket Private Limited	168.20	-	168.20	-
	Amba River Coke Limited	22.19	22.19	22.19	22.19
9	**Pledge fees payable**				
	JSW Investments Private Limited	107.11	177.01	107.11	177.01
	JSW Holdings Limited	51.13	102.45	51.13	102.45
	JSW Techno Projects Management Limited	52.18	-	52.18	-
	Sahyog Holdings Private Limited	39.00	23.82	39.00	23.82
	Indusglobe Multiventures Private Limited	42.22	-	42.22	-
10	**Advance received against BOOT agreement**				
	JSW Steel Limited	4,937.73	4,937.73	4,937.73	4,937.73
11	**Interest receivable on loan and debentures**				
	JSW Techno Project Management Limited	-	567.75	-	567.75
12	**Finance lease receivables**				
	JSW Steel Limited	1,14,729.50	1,38,669.88	1,14,729.50	1,38,669.88
13	**Investment in preference shares at cost**				
	JSW Techno Projects Management Limited	75,350.00	47,650.00	75,350.00	47,650.00
14	**CSR Related Liability**				
	JSW Foundation	-	10.50	-	10.50
15	**Other Receivable**				
	JSW GMR Cricket Private Limited	135.35	-	135.35	-
	JSW Reality and Infrastructure Private Limited	5.67	1.09	5.67	1.09
		Number of Shares		**Number of Shares**	
1	**Collaterals provided on our behalf**				
	Pledge of shares of JSW Steel Limited				
	JSW Holding Limited	2,58,96,000	2,58,96,000	2,58,96,000	2,58,96,000
	Sahyog Holding Private Limited	1,93,54,051	88,61,000	1,93,54,051	88,61,000
	Pledge of shares of JSW Energy Limited				
	JSW Investment Private Limited	5,18,27,162	9,06,28,000	5,18,27,162	9,06,28,000
	Indusglobe Multiventures Private Limited	7,57,82,000	1,01,62,000	7,57,82,000	1,01,62,000

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Notes to the financial statements for the year ended March 31, 2020

46. Earnings per equity share:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Per Share	Per Share
Basic / Diluted earnings per share		
From continuing operations	250.55	2,030.63
Total basic/diluted earnings per share in (₹)	**250.55**	**2,030.63**

Basic and Diluted earnings per share:

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year attributable to owners of the Company (₹ in Lakhs)	2,505.53	20,306.27
Earnings used in the calculation of basic earnings per share from continuing operations (₹ in Lakhs)	**2,505.53**	**20,306.27**
Weighted average number of equity shares for the purposes of basic/diluted earnings per share (No.)	10,00,000	10,00,000
Earnings per share from continuing operations - Basic and Diluted (₹)	250.55	2,030.63

47. Operating lease arrangements
The Company as lessee:
Leasing arrangements:

Expenses charged to revenue for lease agreements for the right to use following assets are : **₹ in Lakhs**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Leasehold land and guest house	-	84.53
Depreciation charged on Right to Use Assets	87.24	-
Interest Accrued on Lease Liability	17.22	-
Total	**104.46**	**84.53**

Lease Liabilities **₹ in Lakhs**

Particulars	For the year ended March 31, 2020
Lease Liability recognised on initial adoption of Ind AS 116	203.57
Interest Accrued	17.22
Lease Principal Payments	(75.71)
Lease Interest Payments	(17.22)
Balance as at 31st March 2020	**127.86**
Current	93.45
Non Current	34.41

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and using prospective effect on transition, applied to all operating Lease Rent Contract. Therefore, comparative information was not restated and continues to be reported under Old Accounting principle.

On transition, The Company recognised a lease liability and right-to-use asset measured at present value of the remaining lease payments. Accordingly, a right-to-use asset of ₹ 203.57 Lakhs and Lease Liability of ₹ 203.57 Lakhs recognised in FY 2019-20.

During the year The Company paid total lease rent of ₹ 92.93 Lakhs, out of which ₹ 75.71 Lakhs is towards principal payment for lease Liability and balance ₹ 17.22 Lakhs is regarding interest payment on lease liability.

Future minimum lease rentals payable under non-cancellable operating leases are as follows:- **₹ in Lakhs**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Within one year	102.22	92.99
After one year but not more than five years	35.14	137.49
More than five years	-	-
	137.36	230.48
Less: Amount representing finance charges	9.50	-
Total	**127.86**	**230.48**

48. Financial Lease arrangement
The Company as Lessor (Finance Lease) **₹ in Lakhs**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Received against Finance Lease Receivable	24,565.78	21,963.08
Interest Income	14,279.86	16,846.06
Total	**38,845.64**	**38,809.14**

Future minimum lease rentals receivable under non-cancellable Finance leases are as follows:- **₹ in Lakhs**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Within one year	39,007.62	38,913.84
After one year but not more than five years	99,941.58	1,38,608.27
More than five years	-	-
	1,38,949.20	1,77,522.11
Less: Amount representing finance charges	24,219.69	38,473.39
Total	**1,14,729.51**	**1,39,048.72**

49. Income taxes relating to continuing operations

49.a Income taxes recognised in statement of profit or loss

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax		
In respect of the current year	6,984.15	11,894.60
In respect of earlier years	340.38	-
Total	7,324.53	11,894.60

Indian companies are subject to Indian income tax on a standalone basis. For each fiscal year, the entity profit and 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. 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 2019-20 is charged at 15% plus a surcharge and education cess. 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.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

49.b. 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:

₹ in Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit/loss before tax	1,255.48	26,474.74
Enacted tax rate in India	34.944%	34.944%
Expected income tax expense/ (benefit) at statutory tax rate	**438.72**	**9,251.33**
Impact on account of IND AS adjustment	(21.48)	1,134.29
Provision for expense allowed for tax purpose on payment basis	(14.27)	(9.07)
Expenses not deductible in determining taxable profits	(536.95)	(478.90)
Income exempt from taxation	1.52	50.73
Tax holiday and allowances	2,598.46	2,383.95
Section 35DD	1.87	1.87
Tax provision/(reversal) for earlier years	(340.38)	-
	1,688.76	**3,082.86**
Tax expense for the year	**(1,250.05)**	**6,168.47**

50.a Deferred tax expense recognised in statement of profit and loss In respect of the current year

₹ in Lakhs

Deferred tax balance in relation to	As at March 31, 2020	Recognised/ reversed through profit/loss	Recognised/ reclassified from OCI	As at March 31, 2019	Recognised/ reversed through profit/loss	Recognised/ reclassified from OCI	As at March 31, 2018
Property, plant and equipment	(25,552.65)	3,955.87	-	(29,508.52)	3,526.35	-	(33,034.87)
Finance lease obligation	40,091.08	(8,365.72)	-	48,456.80	(7,375.17)	-	55,831.97
Boot Advance	15,746.56	-	-	15,746.56	-	-	15,746.56
Fair value of investment in preference shares	(10,449.41)	(4,063.69)	-	(6,385.73)	(1,713.83)	-	(4,671.89)
Upfront Fees on borrowings	11.65	56.13	-	(44.49)	43.87	-	(88.36)
Security Deposit and Advance Lease rent	(0.00)	64.86	-	(64.86)	(56.66)	-	(8.20)
For Adjustment of Section 43B, 35DD and Unabsorbed Dep/Carry Forward business Losses as per Income Tax Act	(40.17)	(92.80)	-	52.63	(150.69)	-	203.32
Others	(129.23)	(129.23)	-	-	-	-	-
OCI Adjustment	4.16	1.63	-	2.52	-	3.48	(0.95)
MAT Credit Entitlement	(6,875.55)	6,658.10	-	(13,533.65)	5,585.48		(19,119.13)
Total	**12,806.42**	**(1,914.85)**	**-**	**14,721.27**	**(140.65)**	**3.48**	**14,858.45**

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') subsequently amended in Finance Act issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions.

During the year ended 31 March 2020, Company had made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit.

50.b Movement in MAT credit entitlement

₹ In Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year		
Add: MAT credit entitlement availed during the year	-	-
(Less)/Add: (Restoration)/reversal of MAT credit entitlement	-	-
Less: MAT Credit pertaining to earlier years	-	-
Balance at the end of the year	-	-

Deferred tax assets on carry forward business loss / unabsorbed depreciation have been recognised to the extent of deferred tax liabilities 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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137533W
Chartered Accountants

51. Disclosures pertaining to micro, small and medium enterprises:

Disclosure pertaining to micro, small and medium enterprises is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, small and medium enterprises development act, 2006".

Amount overdue as on March 31, 2020 to micro, small and medium enterprises is on account of principal amount together with interest.

₹ In Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount due outstanding as at end of year	159.32	44.97
Interest due on above and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

52. Remuneration to the auditors(Excluding Taxes):

₹ In Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Statutory audit fees	10.10	10.10
Other services	0.05	0.25
Out of pocket expenses	0.25	0.25
Total	**10.40**	**10.60**

53. Corporate Social Responsibility expenditure

The Company has incurred an amount of ₹ 520.00 lakhs (previous year: ₹ 405.56 lakhs) towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 and is included in other expenses

₹ In Lakhs

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	in cash	Yet to be paid in cash	in cash	Yet to be paid in cash
Gross amount required to be spend by the Company during the year	520.00	-	405.00	-
Amount spend on purposes other than construction/acquisition of assets	520.00	-	405.56	-

54. C.I.F. value and expenditure in foreign currency
(i) C.I.F. value of imports:

₹ In Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Capital goods	153.64	36.85
Stores and spares	596.19	998.68
Total	**749.83**	**1,035.53**

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(ii) Expenditure in foreign currency:

₹ In Lakhs

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Interest charges	173.27	709.55
Total	**173.27**	**709.55**

55. The previous year figures have been re-classified/re-grouped to conform to current year's classification.

For and on behalf of the Board of Directors

Vineet Agrawal
Director
DIN: 02027288

P. Nagendra Kumar
Managing Director
DIN: 08010964

Ojasvi Damle
Company Secretary
Membership no. A26312

Bhushan Prasad
Chief Financial Officer

Place: Mumbai
Date: 24.06.2020

H P V S & Associates
MUMBAI
137533W
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