

**JSW Projects Limited**

**Annual Report**

**2017-18**

## **Board of Directors**

Mr. Nagendra Paladugu  
Executive, Whole-time Director

Mr. Anil Kumar Singh  
Non-Executive Director

Mr. Vineet Agrawal  
Non-Executive Director

Mr. Ashok Kumar Jain  
Non-Executive Independent Director

Dr. Rakhi Jain  
Non-Executive Independent Director

## **Chief Financial Officer**

Mr. Bhushan Prasad

## **Company Secretary**

Mr. Ronak Gupta

## **Bankers**

State Bank of India  
ICICI Bank Limited  
Vijaya Bank

## **Registered Office Address**

JSW Centre,  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400051, India  
Tel. No. +91 22 4286 5000  
Fax. No. +91 22 4286 3000

## **Statutory Auditor**

HPVS & Associates  
Chartered Accountants  
244 Kuber, Kartik Co-Operative Society, Near Laxmi  
Industrial Estate, Lokhandwala, Andheri W, Mumbai  
– 400 053  
Tel No. 022- 2674 1493  
Website: [www.hpvs.in](http://www.hpvs.in)

## **Cost Auditor**

Mr. B. V. Sreenivasa,  
Cost Accountant,  
No 1073, 7th Block, Janapriya Heavens,  
Allalassandra, G. K. V. K. Post,  
Bangalore-560065,

## **Secretarial Auditor**

Prashant S. Mehta  
Practicing Company Secretary  
3 Maitreyi CHS Ltd, 65(Z)4, Linking Road,  
Santacruz West, Mumbai – 400 054  
Ph: +91 98212 31387

## **Registrar and Share Agent**

Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District, Nanakramguda,  
Hyderabad – 500 032  
Tel No: 040 6716 1500  
Fax No.: 040 2300 1153  
Website: [www.karvy.com](http://www.karvy.com)

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## JSW PROJECTS LIMITED

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### NOTICE

Notice is hereby given that Twelfth Annual General Meeting of the Members of JSW Projects Limited will be held on Friday, July 27, 2018 at 11.00 a.m. at the Registered Office of the Company at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 to transact the following business:

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#### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2018 together with the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Vineet Agrawal (DIN 02027288), who retires by rotation and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS:**

##### **3. Ratification of the Fees paid to the Cost Auditor for the F.Y. 2017-18.**

To consider, and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.1,45,000 (Rupees One Lakhs and Forty Five Thousand only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses, paid to Mr. B. V. Sreenivasa, Cost Auditors of the Company, for the financial year 2017-18, as approved by the Board of Directors of the Company, be and is hereby ratified.”

##### **4. Authority to avail loan under Section 180(1)(c) of the Companies Act, 2013.**

To consider, and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

**“RESOLVED THAT** in suppression of the resolution passed by the Members of the Company at their Extra-ordinary General Meeting held on December 30, 2014 and pursuant to Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, Foreign Exchange Management Act, 1999 including Rules, Regulations and circulars framed thereunder, (including any statutory modification(s), amendment(s) or re-enactment thereof, for the time being in force) and Articles of Association of the Company, and further subject to approval of such authority(ies) as may be required in this regard, consent of the members be and is hereby granted to the Board of Directors of the Company (which term shall include any Committee constituted / to be constituted by the Board of Directors or any person(s) authorized by the Board of Directors to exercise the powers conferred on the Board of Directors by this Resolution) to borrow such sum or sums of money (including non-fund based facilities) from time to time, at their discretion, on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed excluding the the money already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) including rupee equivalent of foreign currency loans (such rupee equivalent being calculated at the exchange

rupee equivalent of foreign currency loans (such rupee equivalent being calculated at the exchange rate prevailing as on the date of the relevant foreign currency agreement) may exceed, at any time, the aggregated of the paid-up capital of the Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid up capital of the Company and its free reserves shall not at any time exceed Rs 1,000 crores and that the Board of Directors be and are hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to resolve any question, difficulties or doubts that may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company."

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors, Director of the Company or any other person as the Board of Directors may deem fit, to give effect to the aforesaid resolution."

#### **5. Authority to provide security under Section 180(1)(a) of the Companies Act, 2013.**

To consider, and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s), amendment(s) or re-enactment thereof, for the time being in force) and Articles of Association of the Company, and further subject to approval of such authority(ies) as may be required in this regard, consent of the members be and is hereby granted to the Board of Directors of the Company (which term shall include any Committee constituted / to be constituted by the Board of Directors or any person(s) authorized by the Board of Directors to exercise the powers conferred on the Board of Directors by this Resolution) to :-

- a) mortgage, charge, hypothecate, lien, pledge or otherwise create an encumbrance on the Company's assets and properties both present and future, whether movable or immovable or stock-in-trade (including raw materials, stores, spare parts and components or stock in transit) and work-in-progress of the Company and /or the whole or any part of the ("undertaking(s)") of the Company, in addition to the mortgages /charges etc. already created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board of Directors may determine and consider suitable from time to time, in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings availed / to be availed by the Company and/or any of the Company's holding / subsidiary / affiliate / associate Company(ies) or entity (ies) or any other entities, by way of loans and/or Securities (comprising fully/partly Convertible Debentures and/or Non-Convertible Debentures with or without detachable or non-detachable Warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued/to be issued, from time to time, subject to the limits of borrowing as approved by the members of the Company from time to time under Section 180(1)(c) of the Companies Act, 2013, together with the interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium on prepayment, remuneration of the Agent(s)/Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s) / Heads of Agreement(s), Debenture Trust Deed(s) or any other document, entered into/to be entered into with the

Lender(s)/Agent(s) and Trustee(s), in respect of the said loans / borrowings / debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors, as defined above, and the Lender(s)/ Agent(s) and Trustee(s);

- b) to sell, lease, transfer or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, on such terms as the Board of Directors, as defined above, may determine and consider suitable from time to time;

**RESOLVED FURTHER THAT**, the term "Undertaking" shall mean an undertaking in which the investment of the Company exceeds 20% of its net worth as per the Company's audited balance sheet for the preceding financial year or an undertaking which generates 20% of the total income of the Company during the previous financial year; and the term "substantially the whole of the Undertaking" in any financial year shall mean 20% or more of the value of the undertaking as per the audited balance sheet of the preceding financial year;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to resolve any questions, difficulties or doubt that may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company."

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors, Director(s) of the Company or any other person as the Board of Directors may deem fit, to give effect to the aforesaid resolution."

#### **6. Authority under Section 186 of the Companies Act, 2013.**

To consider, and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 read alongwith the Companies (Meetings of Board and Its Powers) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment thereof, for the time being in force) and other applicable provisions, if any, and subject to such other approvals, consents, sanctions and permissions, as may be necessary, the consent of the Members of the Company, be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board of Directors or any person(s) authorized by the Board of Directors to exercise the powers conferred on the Board of Directors by this Resolution) of the Company to:-

- a. Give any loan to any person or other body corporate
- b. Give any guarantee or provide security in connection with a loan to any other body corporate or person, and
- c. Acquire / invest by way of subscription, purchase or otherwise, the securities of any Body Corporate(s) / Mutual Funds/ Trust, etc.

up to a limit not exceeding Rs. 1,000 Crores, excluding the loan / security / guarantee / investment made or provided prior to the resolution, outstanding at any point of time, notwithstanding that the aggregate of the securities so far acquired or to be acquired in all bodies corporate may exceed the limits prescribed under the said section.

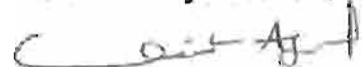
**RESOLVED FURTHER THAT** the Board of Directors of the Company, as defined above, be and is hereby authorized to determine the actual sums to be involved in the proposed transaction and the terms and conditions related thereto and all other matters arising therefrom or incidental to the same

**RESOLVED FURTHER THAT** the Board of Directors of the Company, as defined above, be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and also to delegate all or any of the above powers to the Committee of Directors or to certain Authorised Signatory(ies) of the Company authorized in this behalf by the Board and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution in the bonafide interest of the Company."

Place: Mumbai  
Date: May 22, 2018

Registered Office:  
JSW Centre,  
Bandra Kurla Complex,  
Bandra (E), Mumbai – 400051

By order of the Board of Directors  
For **JSW Projects Limited**



**Vineet Agrawal**  
Director  
DIN:- 02027288

**Note:**

1. A Member entitled to attend and vote at the Annual General Meeting ("**the Meeting**") is entitled to appoint one or more proxy to attend and vote on a poll, instead of himself / herself and the proxy need not be a member of the Company. A person can act as proxy on behalf of member's upto and not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. Proxies in order to be effective, should be duly completed, stamped and must be deposited at the Registered Office of the Company not less than forty-eight hours before the time for commencement of the Meeting
2. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Meeting is annexed hereto.
3. Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slip along with their copy of the Annual Report to the Meeting.
4. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
6. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. Register of Director(s) /Key Managerial Personnel(s) and their shareholding, Register of Contracts in which Directors are interested will be available for inspection by the Members at the Meeting.
8. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during

the period beginning twenty-four (24) hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than three (3) days in writing of the intension to inspect the proxies lodged shall be required to be provided to the Company.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **Item No. 3**

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on May 22, 2018, has considered and approved the fees paid to Mr. B. V. Sreenivasa as the Cost Auditor of the Company for the financial year 2017-18. Pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration, as approved by the Board of Directors of the Company on the recommendation of the Audit Committee, is required to be subsequently ratified by the Members of the Company.

The Resolution as at Item No.3 of the Notice is therefore set out as an Ordinary Resolution for approval and ratification by the Members. None of the Directors and/or Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution. Your Directors recommend the resolution as at Item No.4 for your approval.

### **Item No. 4 & 5**

In terms of the provisions of Section 180(1)(c) of the Companies Act, 2013, the Company, except with the consent of the Members by special resolution, cannot borrow moneys in excess of aggregate of paid-up share capital and free reserves (i.e. reserves not set apart for any specific purpose) other than for availing temporary loans from the Company's bankers in the ordinary course of business, Further, the company may also be required to create mortgage or charge, in general, on all or any of the assets of the Company, in such form and manner, as may be required by the lender(s)/ Trustee(s)/Agent(s) to secure the borrowings of the Company or of its holding, subsidiary, affiliate or associate companies, further, as per the said provisions, any disposal of assets/ undertaking exceeding 20% of the Networth of the Company or 20% of such undertaking would also prior approval of the Members of the Company. As the Company may sell, transfer or otherwise dispose of its undertaking which may tantamount to disposal of its undertaking, as per the provisions of Companies Act, it is proposed to authorise the Board in this regard.

Keeping in view the economic conditions and the funds requirements for the Company's business operations, the Company seeks the approval of the Members for the limits as mentioned in the resolution specified above.

The Board recommends the Special Resolutions as set out at Item Nos. 4 & 5 of the Notice for your approval.

None of the Directors, Key Managerial Personnel or their relatives, are in any way, concerned or interested in the resolution.

### **Item No. 6**

As per the provisions of Section 186 of the Companies Act, 2013 read with the Rules framed thereunder, every company would require prior approval of the Members of the Company by way of Special Resolution to make loans, give guarantees, provide securities or to make investments in the



securities of other bodies corporate in excess of 60% of its paid-up share capital and free reserves and securities premium account or 100 % of its free reserves and securities premium account, whichever is higher. Considering the Company's operation, the approval of the Members is being sought by way of a Special Resolution under Section 186 of the Act read with the Rules made thereunder, to the extent of Rs. 1,000 Crores, which will be in excess of 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more.

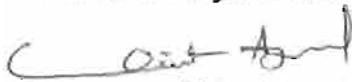
The Directors commend the Resolution at Item No.6 of the accompanying Notice, for the approval of the Members of the Company.

None of the Directors, Key Managerial Personnel or their relatives, are in any way, concerned or interested in the resolution

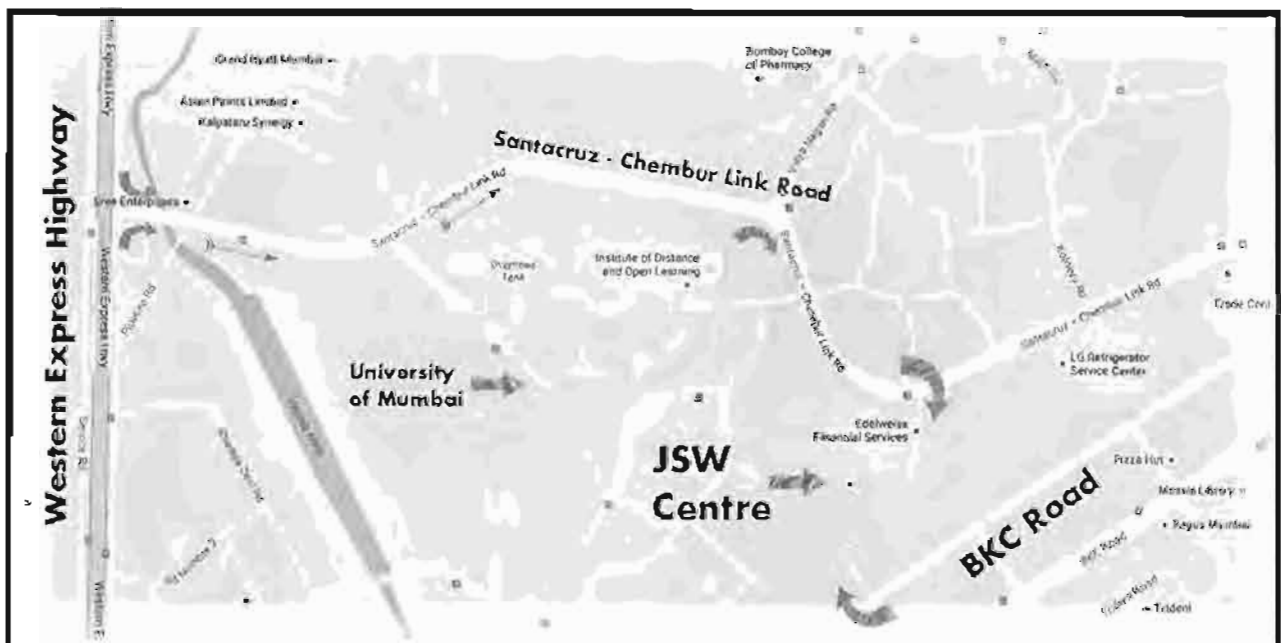
Place: Mumbai  
Date: May 22, 2018

Registered Office:  
JSW Centre,  
Bandra Kurla Complex,  
Bandra (E), Mumbai – 400051

By order of the Board of Directors  
For JSW Projects Limited

  
**Vineet Agrawal**  
Director  
DIN:- 02027288

### Route Map to JSW Centre



**JSW PROJECTS LIMITED**  
**CIN: U74999MH2006PLC163924**

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

**Attendance Slip**

Please fill and hand it over at the entrance of the Meeting hall.

I hereby record my presence at the 12<sup>th</sup> Annual General Meeting of the Company, to be held on the Friday, August 10, 2018 at 11.00 a.m. at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400051

Registered Folio No./ *DP ID/Client ID	
Name and address of the Member(s)	
Joint Holder 1 Joint Holder 2	
No. of Shares	

\*Applicable for investors holding shares in electronic form

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Signature of Member or Proxy or Representative

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**JSW PROJECTS LIMITED**

**CIN: U74999MH2006PLC163924**

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

**Proxy Form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**12<sup>th</sup> ANNUAL GENERAL MEETING**

Name of the Member: \_\_\_\_\_

Registered Address: \_\_\_\_\_ Email id: \_\_\_\_\_

DP ID / Client ID / Folio No.: \_\_\_\_\_ No. of Share: \_\_\_\_\_

I/We, being the member(s) of ..... shares of the above named company, hereby appoint

1. Name \_\_\_\_\_ Address : \_\_\_\_\_  
\_\_\_\_\_ Email id \_\_\_\_\_ Signature \_\_\_\_\_ failing him;

2. Name \_\_\_\_\_ Address : \_\_\_\_\_  
\_\_\_\_\_ Email id \_\_\_\_\_ Signature \_\_\_\_\_ failing him;

3. Name \_\_\_\_\_ Address : \_\_\_\_\_  
\_\_\_\_\_ Email id \_\_\_\_\_ Signature \_\_\_\_\_ falling him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, August 10, 2018 at 11.00 a.m. at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Description	No. of Equity Shares	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1	Consider and adopt the Audited Financial Statement, Reports of the Board of Directors and Auditors for the year ended March 31, 2018			
2	Appoint a Director in place of Mr. Vineet Agrawal, who retires by rotation and being eligible, offers himself for re-appointment			
3	Ratification of the Fees paid to the Cost Auditor for the F.Y. 2017-18			
4	Authority to avail loan under Section 180(1)(c) of the Companies Act, 2013			
5	Authority to provide security under Section 180(1)(a) of the Companies Act, 2013			
6	Authority under Section 186 of the Companies Act, 2013			

Signed this..... day of..... 2018

Affix revenue stamp

Signature of Shareholder: \_\_\_\_\_ Signature of Proxy holder(s): \_\_\_\_\_

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. The Proxy need not be a Member of the Company.**

## BOARD'S REPORT

Dear Shareholders,

The Board of Directors of your Company take pleasure in presenting the 12<sup>th</sup> Annual Report together with Audited Financial Statements of the Company for the financial year ended March 31, 2018.

### 1. Financial Performance & highlights of operations

The performance of the Company as reflected by its Audited Accounts for the Financial Year ended March 31, 2018 is summarized below:

Particulars	(Rs. in Lakhs)	
	F.Y. 2017-18	F.Y. 2016-17
Total Income	71,157.01	69,222.61
Total expenses	43,901.93	45,656.20
Profit before exceptional items and tax	27,255.08	23,566.41
Exceptional Items	-	-
Profit before tax	27,255.08	23,566.41
<b>Tax expense:</b>		
(a) Current tax	-	-
(b) Deferred tax	8,317.75	8,840.38
Total tax expense	8317.75	8,840.38
<b>Profit for the year</b>	<b>18,937.33</b>	<b>14,726.03</b>
Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss Equity Instruments through other compressive income	5.25	0.62
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.47)	-
B (i) Items that will be reclassified to profit or loss Re-Measurement of the defined benefit plans	(4.10)	(4.75)
(ii) Income tax relating to items that will be reclassified to profit or loss	1.43	1.64
Total other comprehensive income for the year (A+B)	2.11	(2.49)
<b>Total Comprehensive Income for the year</b>	<b>18,939.44</b>	<b>14,723.54</b>

*\*previous year figures have been regrouped/rearranged wherever necessary on account of IND AS & scheme of amalgamation.*

### 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 75% capacity.

#### **7. Scheme of Amalgamation**

The Board of Directors of the Company at their Board Meeting held on March 30, 2017 had approved the Scheme of Amalgamation with Pratirup Advisory Services Private Limited ("**PASPL**" or "**Transferor Company 1**") and Unity Advisory Services Private Limited ("**UASPL**" or "**Transferor Company 2**") with JSW Projects Limited ("**Company**" or "**Transferee Company**") with their respective shareholders ("**the Scheme**"). The said Scheme was sanctioned by the Mumbai Bench of National Company Law Tribunal ("**NCLT**") vide its order dated December 6, 2017. The Appointed Date in terms of the Scheme is March 31, 2017. The Scheme has become operative from December 21, 2017, being the effective date in terms of the Scheme.

#### **8. Holding and Subsidiary Company**

During the year, pursuant to the Scheme of Amalgamation of Pratirup Advisory Services Private Limited ("**PASPL**" or "**Transferor Company 1**") and Unity Advisory Services Private Limited ("**UASPL**" or "**Transferor Company 2**") with JSW Projects Limited ("**Company**" or "**Transferee Company**") and their respective shareholders ("**the Scheme**") sanctioned by the National Company Law Tribunal, Mumbai Bench ("**NCLT**") vide its order dated December 6, 2017, the equity shares of the Company are now 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, 2018.

#### **9. Share Capital**

During the year under review, on account of Scheme of Amalgamation of Pratirup Advisory Services Private Limited ("**PASPL**" or "**Transferor Company 1**") and Unity Advisory Services Private Limited ("**UASPL**" or "**Transferor Company 2**") with JSW Projects Limited ("**Company**" or "**Transferee Company**") and their respective shareholders ("**the Scheme**") sanctioned by the National Company Law Tribunal, Mumbai Bench ("**NCLT**") vide its order dated December 6, 2017 the existing Issued, Subscribed and Paid-up Share Capital of 47,73,00,000 Equity Shares of Rs.10 each amounting to Rs.477,30,00,000 have been cancelled and fresh 10,00,000 Equity Shares of Rs.10 each amounting

to Rs.1,00,00,000 were issued and allotted to shareholders of the Transferor Company 1 along with their nominee in proportion to their shareholding in Transferor Company 1.

In view of the foregoing, as on date, 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.10,00,000 divided into 1,00,00,000 Equity Shares of Rs.10 each. However, owing to the pledge on the existing shares to the Lenders of the Company as security for the Term Loan availed, the procedure with respect to the cancellation of existing shares from the Demat Account of Transferor Company 2 and crediting of the fresh shares to the Shareholders of Transferor Company 1 is still pending.

**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.

**10. Debentures**

Pursuant to the Scheme of Amalgamation of Pratirup Advisory Services Private Limited ("PASPL" or "Transferor Company 1") and Unity Advisory Services Private Limited ("UASPL" or "Transferor Company 2") with JSW Projects Limited ("Company" or "Transferee Company") and their respective shareholders ("the Scheme") sanctioned by the National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated December 6, 2017, the following Non-Convertible Debentures ("NCDs") of Unity Advisory Services Private Limited are now being reflected in the books of the Company:-

<b>Particulars</b>	2,000 Rated, Listed, Zero Coupon, Redeemable, Non-Convertible Debentures		6,500 (Six Thousand and Five hundred) Rated, Listed, Zero Coupon, Redeemable, Non-Convertible Debenture		
<b>Series</b>	Tranche A	Tranche B	Series A	Series B	Series C

<b>Debentures (Nos.)</b>	500	1500	2000	2000	2500
<b>Paid-up Value (Rs. in crores)</b>	50	150	200	200	250
<b>Redemption Date</b>	May 15, 2020	August 14, 2020	June 4, 2020	October 5, 2020	February 4, 2021
<b>Debenture Trustee</b>	IDBI Trusteeship Services Limited				

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

## 11. Board of Directors

### a) Composition & Constitution of Board of Directors: -

During the year under review, Mr. S. P. Singh, stepped down as Director of the Company. Mr. Nagendra Kumar Paladugu was appointed as Additional Director and Whole-time Director of the Company at the Board Meeting held on December 22, 2017 and confirmed by the Members of the Company at their last Annual General Meeting held on December 28, 2017. As on March 31, 2018 the Board of your Company comprises of following 5 Directors out of which two are Independent Directors.

- Mr. Nagendra Kumar Paladugu, Whole-time Director
- Mr. Vneet Agrawal, Director
- Mr. Anil Kumar Singh, 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. Anil Kumar Singh, 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 five (5) times on May 15, 2017; August 7, 2017; September 7, 2017; December 22, 2017 and March 5, 2018. The details of Meeting attended by each director is as below: -

<b>Sr. No.</b>	<b>Name of Director</b>	<b>No. of Meeting held during tenure</b>	<b>No. of Meeting attended</b>
1	Mr. S. P. Singh	4	2
2	Mr. Vneet Agrawal	5	5
3	Mr. Anil Kumar Singh	5	3
4	Mr. Ashok Jain	5	1
5	Dr. Rakhi Jain	5	2
6	Mr. Nagendra P.	1	0

### 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 re Independent in terms of Section 149(6) of the Companies Act, 2013.

## **12. 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.

## **13. Key Managerial Personnel**

During the year under review, there has been a change in whole time Director of the Company, details of which has been provided under heading "*Board of Director*". Apart from the same, there has been no change in the Key Managerial Persons. Mr. Ronak Gupta, an Associate Member of the Institute of Company Secretaries of India holding Membership No. as A35122, and Mr. Bhushan Prasad, continues as Company Secretary and Chief Financial Officer of the Company, respectively.

## **14. 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, 2018, the Committee comprises of following members. During the year Committee



Members met two times i.e. on August 7, 2017 and September 7, 2017 and were attended by members as detailed below:

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

### **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 August 7, 2017. 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 August 7, 2017 which was attended by all the Members except Mr. S. P. Singh.

During the year under review, Mr. Nagendra Kumar Paladugu was appointed as a Member of the Company in place of Mr. S. P. Singh, with effect from December 22, 2017.

## **15. 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<sup>th</sup> Annual General Meeting, subject to the ratification by the Members at every Annual General Meeting held therein. M/s. HPVS & Associates, Chartered Accountants, have vide their letter have confirmed their eligibility under Section 139(1) & 141 of the Companies Act, 2013. The Board recommends their ratification of appointment at the ensuing 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 Practising Company Secretary. Mr. Prashant S. Mehta, Practising Company Secretary, have been appointed to issue Secretarial Audit Report for the financial year 2017-18. The Secretarial Audit Report issued by Mr. Prashant S. Mehta, Practising Company Secretary, in Form MR-3 for the financial year 2017-18 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 2017-18. 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.

### **16. 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**

### **17. 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**.

### **18. 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**.

## **19. Significant and material orders passed by the regulators**

During the year under review, National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated December 6, 2017 had approved the Scheme of Amalgamation of Prativip Advisory Services Private Limited ("PASPL" or "Transferor Company 1") and Unity Advisory Services Private Limited ("UASPL" or "Transferor Company 2") with JSW Projects Limited ("Company" or "Transferee Company") and their respective shareholders ("the Scheme"). There were no other orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations.

## **20. Fixed Deposits**

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

## **21. 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.

## **22. 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**.

## **23. 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.

#### **24. 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**  
Whole-time Director  
DIN:- 08010964



**Vineet Agrawal**  
Director  
DIN:- 02027288

**Mumbai, May 22, 2018**

**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, 2018: -
  - **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. 154,76,94,235/- (Rupees One Hundred and Fifty-Four Crores, Seventy-Six Lakhs, Ninety-Four Thousand, Two Hundred and Thirty-Five only).**
  
4. Prescribed CSR expenditure (2% of amount): - **Rs.3,09,53,885/- (Rupees Three Crores Nine Lakhs Fifty-Three Thousand Eight Hundred and Eighty-Five only)**
  
5. Details of CSR activities/projects undertaken during the year:
  - a) total amount to be spent for the financial year: - **Rs.3,10,00,000/- (Rupees Three Crores and Ten Lakhs only)**
  - b) amount un-spent, if any:
  - c) manner in which the amount spent during financial year, is detailed below:

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 <u>Sub-heads:</u> 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	76,33,667	77,82,241	77,82,241	

2.	Cancer Patient Treatment	For Improving Living condition & Social Development	Mumbai	50,000	50,000	50,000	Direct
3.	Skill Development	For Promoting Social Development	Mumbai, Vasind & Pen	1,08,48,333	1,22,42,517	1,22,42,517	
4.	Mumbai Central Ladies Toilet Construction & Maintenance	Swatch Bharat Abhiyan	Mumbai	8,68,000	8,12,000	8,12,000	
5.	Refurbishment of MEG Football ground	Sports Training & Development	Bengaluru, Karnataka	1,00,00,000	86,61,816	86,61,816	
6.	5% Capacity Building Cost	Project Management Cost	Mumbai	16,00,000	16,00,000	16,00,000	

\*Give details of implementing Agency.

6. 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**

7. 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**  
Whole-time Director  
DIN:- 08010964

  
**Vineet Agrawal**  
Director  
DIN:- 02027288

**Mumbai, May 22, 2018**

## 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

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Annexure 3

**SECRETARIAL AUDIT REPORT**

**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 31<sup>st</sup> March, 2018

To,  
The Members,  
JSW Projects Limited.

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 as was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon:

Based on my verification of the Company's books, papers, 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 31<sup>st</sup> March, 2018 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 31<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (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;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not Applicable
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ 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 regarding Companies Act dealing with the Company. - Not applicable as Company is not Registered as RTA Company with SEBI
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -Not Applicable during the audit period.
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable during the audit period.

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

- a. Income tax Act, 1961 and other indirect Tax Laws;
- b. Shop and Establishment Act;
- c. Factories Act, 1948; Industrial Dispute Act, 1947; Payment of Bonus Act, 1965; Contract Labour (Regulation and Abolition) Act, 1970; The Employee Provident Funds and Miscellaneous Act, 1952; The Minimum Wages Act, 1948; The Employees' State Insurance Act, 1948; 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, provident fund, ESIC, compensation etc.

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

- (i) Secretarial Standards in respect of Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the Debentures Listed on the WDM Segment of BSE Limited

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 Non-Executive Directors and Independent Directors as required under Companies Act, 2013. 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 Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda 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.

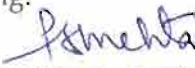
Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the year under review.

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

During the year, Mr. S. P. Singh, stepped down as Director of the Company and Mr. Nagendra Kumar Paladugu was appointed as Additional Director and Whole-time Director of the Company at the Board Meeting held on 22<sup>nd</sup> December, 2017 and confirmed by the Members of the Company at their last Annual General Meeting held on 28<sup>th</sup> December, 2017. In view of the same, the Corporate Social Responsibility Committee of the Company was re-constituted and Mr. Nagendra Kumar Paladugu was appointed as a Member in place of Mr. S. P. Singh.

Further during the year, the Scheme of Amalgamation of Pratirup Advisory Services Private Limited ("PASPL" or "Transferor Company 1") and Unity Advisory Services Private Limited ("UASPL" or "Transferor Company 2") with JSW Projects Limited ("Company" or "Transferee Company") and their respective shareholders ("the Scheme") was sanctioned by the National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated 6<sup>th</sup> December, 2017 and in view of the said Scheme, the existing Issued, Subscribed and Paid-up Share Capital of 47,73,00,000 Equity Shares of Rs.10 each amounting to Rs.477,30,00,000 was cancelled and fresh 10,00,000 Equity Shares of Rs.10 each amounting to Rs.1,00,00,000 were issued and allotted to shareholders of the Transferor Company 1 along with their nominee in proportion to their shareholding in Transferor Company 1. However, owing to the pledge on the existing shares to the Lenders of the Company as security for the Term Loan availed, the procedure with respect to the cancellation of existing shares from the Demat Account of Transferor Company 2 and crediting of the fresh shares to the Shareholders of Transferor Company 1 is still pending.

Place: Mumbai  
Date: 22<sup>nd</sup> May, 2018

  
**PRASHANT S. MEHTA**  
COMPANY SECRETARY  
M. NO. 5514 CP. NO. 17341



**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)

During the year, the Company has entered into any fresh transaction with related parties, which required prior approval.

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 29(m) of the Standalone Financial Statements

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

  
**P. Nagendra Kumar**  
Whole-time Director  
DIN:- 08010964

  
**Vineet Agrawal**  
Director  
DIN:- 02027288

**Mumbai, May 22, 2018**



## 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.	Mitsun Steels Private Limited	Inter Corporate Deposit (ICD)	Others	365,00,00,000
2.	JSW Techno Projects Management Limited	Investments	Others	12,00,00,000

Note: ICD provided has also been repaid in the financial year.





ii) Individuals shareholding holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(2):</b>	-	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	-	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>47,72,99,400</b>	<b>600</b>	<b>47,73,00,000</b>	<b>100.00</b>	<b>9,99,400</b>	<b>600</b>	<b>10,00,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

ii) Shareholding of Promoter\*-

No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Unity Advisory Services Private Limited	23,86,00,100	49.99	-	-	-	-	100%
2	JSW Investment Private Limited (nominee of Unity Advisory Services Private Limited)	17,71,50,000	37.12	100.00	-	-	-	100%
3	JSW Logistics Infrastructure Private Limited (nominee of Unity Advisory Services Private Limited)	3,14,98,000	6.60	100.00	-	-	-	100%
4	JSW Techno Projects Management Limited (nominee of Unity Advisory Services Private Limited)	3,00,02,000	6.29	100.00	-	-	-	100%
5	Mrs. Sangita Jindal	49,400	0.01	-	-	-	-	100%
6	Mr. K. N. Patel (nominee of Mrs. Sangita Jindal)	100	0.00	-	-	-	-	100%
7	Mr. Balwant Kumar Ranka (nominee of Mrs. Sangita Jindal)	100	0.00	-	-	-	-	100%
8	Mr. Sriram K.S.N. (nominee of Mrs. Sangita Jindal)	100	0.00	-	-	-	-	100%
9	Mr. Deepak Bhat (nominee of Mrs. Sangita Jindal)	100	0.00	-	-	-	-	100%

	Sangita Jindal)							
10	Mr. Bhushan Prasad (nominee of Mrs. Sangita Jindal)	100	0.00	-	-	-	-	100%
11	Mr. Sajjan Jindal and Mrs. Sangita Jindal, Trustee of Sajjan Jindal Family Trust	-	-	-	9,99,400	99.99	50.00	100%
12	Mr. K. N. Patel (as a Nominee of Sajjan Jindal Family Trust)	-	-	-	100	0.00	-	100%
13	Mr. Bhushan Prasad (as a Nominee of Sajjan Jindal Family Trust)	-	-	-	100	0.00	-	100%
14	Mr. Sriram K. S. N. (as a Nominee of Sajjan Jindal Family Trust)	-	-	-	100	0.00	-	100%
15	Mr. Sundeep Jain (as a Nominee of Sajjan Jindal Family Trust)	-	-	-	100	0.00	-	100%
16	Mr. Sanjeev Doshi (as a Nominee of Sajjan Jindal Family Trust)	-	-	-	100	0.00	-	100%
17	Mr. Deepak Bhat (as a Nominee of Sajjan Jindal Family Trust)	-	-	-	100	0.00	-	100%
	<b>Total</b>	<b>47,73,00,000</b>	<b>100.00</b>	<b>-</b>	<b>10,00,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

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, 2017)	% of total shares of the company	Date	Increase	Decrease	No. of shares	% of total shares of the company
1	Unity Advisory Services Private Limited	23,86,00,100	49.99	22-12-2017 (cancellation on account of Scheme of Amalgamation)	-	23,86,00,100	-	-
				<b>31-03-2018</b>	-	-	-	-

2	JSW Investment Private Limited (nominee of Unity Advisory Services Private Limited)	17,71,50,000	37.12	22-12-2017 (cancellation on account of Scheme of Amalgamation)	-	17,71,50,000	-	-
				<b>31-03-2018</b>	-	-	-	-
3	JSW Logistics Infrastructure Private Limited (nominee of Unity Advisory Services Private Limited)	3,14,98,000	6.60	22-12-2017 (cancellation on account of Scheme of Amalgamation)	-	3,14,98,000	-	-
				<b>31-03-2018</b>	-	-	-	-
4	JSW Techno Projects Management Limited (nominee of Unity Advisory Services Private Limited)	3,00,02,000	6.29	22-12-2017 (cancellation on account of Scheme of Amalgamation)	-	3,00,02,000	-	-
				<b>31-03-2018</b>	-	-	-	-
5	Mrs. Sangita Jindal	49,400	0.01	22-12-2017 (cancellation on account of Scheme of Amalgamation)	-	49,400	-	-
				<b>31-03-2018</b>	-	-	-	-
6	Mr. K. N. Patel (nominee of Mrs. Sangita Jindal)	100	0.00	22-12-2017 (cancellation on account of Scheme of Amalgamation)	-	100	-	-
				<b>31-03-2018</b>	-	-	-	-
7	Mr. Balwant Kumar Ranka (nominee of Mrs. Sangita Jindal)	100	0.00	22-12-2017 (cancellation on account of Scheme of Amalgamation)	-	100	-	-
				<b>31-03-2018</b>	-	-	-	-
8	Mr. Sriram K.S.N. (nominee of Mrs. Sangita Jindal)	100	0.00	22-12-2017 (cancellation on account of Scheme of Amalgamation)	-	100	-	-
				<b>31-03-2018</b>	-	-	-	-
9	Mr. Deepak Bhat	100	0.00	22-12-2017 (cancellation on	-	100	-	-

	(nominee of Mrs. Sangita Jindal)			account of Scheme of Amalgamation)				
				<b>31-03-2018</b>	-	-	-	-
10	Mr. Bhushan Prasad (nominee of Mrs. Sangita Jindal)	100	0.00	22-12-2017 (cancellation on account of Scheme of Amalgamation)	-	100	-	-
				<b>31-03-2018</b>	-	-	-	-
11	Mr. Sajjan Jindal and Mrs. Sangita Jindal Trustee of Sajjan Jindal Family Trust	-	-	22-12-2017 (Allotment on account of Scheme of Amalgamation)	99,99,400	-	99,99,400	99.99
				<b>31-03-2018</b>			99,99,400	99.99
12	Mr. K. N. Patel (as a Nominee of Sajjan Jindal Family Trust)	-	-	22-12-2017 (Allotment on account of Scheme of Amalgamation)	100	-	100	0.00
				<b>31-03-2018</b>			100	0.00
13	Mr. Bhushan Prasad (as a Nominee of Sajjan Jindal Family Trust)	-	-	22-12-2017 (Allotment on account of Scheme of Amalgamation)	100	-	100	0.00
				<b>31-03-2018</b>			100	0.00
14	Mr. Sriram K. S. N. (as a Nominee of Sajjan Jindal Family Trust)	-	-	22-12-2017 (Allotment on account of Scheme of Amalgamation)	100	-	100	0.00
				<b>31-03-2018</b>			100	0.00
15	Mr. Sundeep Jain (as a Nominee of Sajjan Jindal Family Trust)	-	-	22-12-2017 (Allotment on account of Scheme of Amalgamation)	100	-	100	0.00
				<b>31-03-2018</b>			100	0.00
16	Mr. Sanjeev Doshi (as a Nominee of Sajjan Jindal Family Trust)	-	-	22-12-2017 (Allotment on account of Scheme of Amalgamation)	100	-	100	0.00

	Jindal Family Trust)			<b>31-03-2018</b>			100	0.00
17	Mr. Deepak Bhat (as a Nominee of Sajjan Jindal Family Trust)			22-12-2017 (Allotment on account of Scheme of Amalgamation)	100		100	0.00
				<b>31-03-2018</b>			100	0.00

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	14,64,18,23,138	8,66,58,77,776	NIL	23,30,77,00,914
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	11,48,91,481	3,00,51,388	NIL	14,49,42,869
<b>Total (i+ii+iii)</b>	<b>14,75,67,14,619</b>	<b>8,69,59,29,164</b>	<b>NIL</b>	<b>23,45,26,43,783</b>



Change in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction	2,25,94,94,901	16,58,77,776	NIL	2,42,53,72,677
<b>Net Change</b>	<b>2,25,94,94,901</b>	<b>16,58,77,776</b>	<b>NIL</b>	<b>2,42,53,72,677</b>
Indebtedness at the end of the financial year				
i) Principal Amount	12,38,23,28,237	8,50,00,00,000	NIL	20,88,23,28,237
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	1,46,98,158	90,66,37,612	NIL	92,13,35,770
<b>Total (i+ii+iii)</b>	<b>12,39,70,26,395</b>	<b>9,40,66,37,612</b>	<b>NIL</b>	<b>21,80,36,64,007</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Mr. Shankar Pratap Singh Whole-time Director (upto October 31, 2017)	Mr. Nagendra Kumar Paladugu Whole time Director (from December 22, 2017)	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,72,35,038*	19,35,991	1,91,71,029
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	<b>Total (A)</b>	<b>1,72,35,038</b>	<b>19,35,991</b>	<b>1,91,71,029</b>
	<b>Ceiling as per the Act</b>			

Note: \*Remuneration includes Rs. 96,70,671 ESOP (Employee Stock Option)

### B. Remuneration to other directors:

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Vineet Agrawal	Mr. Anil Kumar Singh	Mr. Ashok Kumar Jain	Dr. Rakhi Jain	
1	Independent Directors	Not Applicable				
	• Fee for attending board committee meetings			Nil	35,000	35,000
	• Commission			Nil	Nil	
	• Others, please specify			Nil	Nil	
	<b>Total (1)</b>			<b>Nil</b>	<b>35,000</b>	<b>35,000</b>
2	Other Non-Executive Directors			Not Applicable		
	• Fee for attending board	0	0			0

	committee meetings				
	• Commission	0	0		0
	• Others, please specify	0	0		0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>		<b>0</b>
	<b>Total (B)=(1+2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35,000</b>
	<b>Total Managerial Remuneration</b>	<b>1,92,06,029</b>			
	<b>Overall Ceiling as per the Act</b>	<b>Rs.1,00,000 per meeting</b>			

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Ronak Gupta, Company Secretary	Mr. Bhushan Prasad, CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,83,947	71,11,810	80,95,757
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	28,800	28,800
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	12,58,350	12,58,350
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	<b>Total</b>	<b>9,83,947</b>	<b>83,98,960</b>	<b>93,82,907</b>

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)
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment					
Compounding					

**Annexure 7**

**List of Employees**

- A. Details of Top ten employees in terms of remuneration drawn and**  
**B. Employees employed throughout the financial year and were in receipt of remuneration for that year**  
**which, in the aggregate, was not less than Rs. 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
<b>Details of Top Ten employees in terms of remuneration drawn</b>									
Mr. Bhushan Prasad	Vice President	54	Bachelor of Arts (Economics), Cost Accountant, Post Graduate Diploma in Business Administration	01/06/2011	83,70,160	28	JSW Steel Limited	NIL	NIL
Mr. Anil Kumar Bafna	Vice President	52	Bachelor of Engineer (Mechanical)	19/07/2010	70,94,497	28	Mannai Corporation	NIL	NIL
Mr. Jinna Rajaiah	General Manager	59	Diploma (Mechanical)	15/02/1999	56,43,811	37	JSW Steel Limited	NIL	NIL
Mr. Rajan C	Deputy General Manager	58	Bachelor of Science (Chemical), AMIE,	12/11/2010	46,95,594	34	Abdul Khair Steel Ltd	NIL	NIL

			Bachelor of Engineer							
Mr. Balaji Bandri Prasanna	Deputy General Manager	56	Bachelor of Commerce, Chartered Accountant	25/07/2007	46,91,645	20	JSW Steel Limited	NIL	NIL	
Mr. Dastane Ashutosh Uday	Asst. General Manager	43	Bachelor of Engineer (Chemical)	18/11/2014	29,82,672	15	JSW Steel Limited	NIL	NIL	
Mr. Hanumesh N Rao	Deputy General Manager	48	Bachelor of Engineer (Mechanical)	20/12/1995	28,47,105	23	JSW Steel Limited	NIL	NIL	
Mr. Puneet Narayan	Deputy General Manager	47	Bachelor of Engineer (Electrical & Electronics)	15/01/2008	25,16,790	23	JSW Steel Limited	NIL	NIL	
Mr. Reddi B Prasad	Asst. General Manager	49	Diploma (Mechanical)	25/06/2007	22,83,914	18	JSW Steel Limited	NIL	NIL	
<b>Employed throughout the year and were in receipt of remuneration of not less than Rs.1,02,00,000 per annum</b>										
NIL										
<b>Employed for the part of the year and were in receipt of remuneration aggregating to not less than Rs.8,00,000 per month</b>										
Mr. Shankar Pratap Singh	Whole-time Director (upto October 31, 2017)	54	Bachelor of Engineer (Mechanical)	20/05/1995	172,35,038*	28	JSW Techno Projects Management Ltd.	NIL	NIL	
Note: *Remuneration includes Rs. 96,70,671 ESOP (Employee Stock Option)										

**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. S. P. Singh Remuneration of Director p.a.: - INR 1,72,35,038 (upto October 31, 2107)  2) Mr. Nagendra Kumar Paludugu Remuneration of Director p.a.: - INR 19,35,991 (from December 22, 2017)  Median Remuneration p.a.: - INR 8,68,867  Ratio of Remuneration of Director to Median Remuneration:- 22:1
ii.	% increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, in the Financial Year	Mr. S. P. Singh (Director) Mr. Nagendra Kumar Paludugu (Director) Mr. Bhushan Prasad (Chief Financial Officer) Mr. Ronak Gupta (Company Secretary)	52.19% Not Applicable (New Appointment) 9.33% 53.61%
iii.	% increase in the median remuneration of employees in the Financial Year	57.35%	
iv.	No. of permanent employees on the rolls of the Company	42	
v.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last	% increase made in the salaries of employees other than the managerial personnel in the last financial year: - 10.98%  % increase in the managerial remuneration: -8.08%	

	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	
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 or impact on conservation of energy	<p>The Company has always been frontrunner in continual improvement of its operational performance.</p> <p>Through focused efforts, during the year the Company achieved some significant achievements i.e.</p> <p><b>1) Cooling Tower;</b> The Company from the period August to March, in current financial year reduced the cooling tower fan blade angle during winter season without affecting the overall thermal efficiency.</p> <p>This resulted in reduction in auxiliary power consumption in the range of 1.5 lakh units per year.</p> <p><b>2) Station Lighting</b> The Company has replaced all the HPSV lamps with LED lamps in TG hall and TG enclosure, which resulted in power reduction of station building in the range of 50 thousand units per year.</p> <p><b>3) Coke Dry Quenching (CDQ)</b> 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.</p> <p><b>4) DRI</b> The process tall gas generated from pressure swing adsorption units, enriched with carbon dioxide is effectively utilized by generating electric power, instead of releasing to atmosphere. The flue gas generated from process gas heater is effectively utilized by cooling and compressing it. After drying this gas is used as seal gas to reduce</p>

		<p>the nitrogen load for the plant. The furnace exit gas after cooling and cleaning is recycled back (75%) to reuse the un-reacted hydrogen and carbon dioxide after mixing with fresh feed of Corex gas. Whenever the demand of DRI is low the export gas compressors and recycle gas compressors would be stopped so as to optimise electrical power consumption. Basic philosophy of 'zero discharge' is followed by recycling the waste/ blow down water. To do so, a combination of RO and DM plant is installed in DRI Plant. No cold flare is installed to prevent pollution of atmosphere during plant trips and process upsets. LPG is replaced by COG to hot flare and further process requirements to reduce conversion cost of DRI. Wet and dry de-dusting units are installed to prevent pollution of atmosphere.</p>
	(ii) the steps taken by the company for utilising alternate sources of energy	NA
	(iii) the capital investment on energy conservation equipment	NIL
	<b>B. Technology absorption:-</b>	
	(i) the efforts made towards technology absorption;	<p><b>1) Turbine Bypass system</b> During the year, the Company commissioned the Turbine Bypass system</p>
	(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	<p><b>Impact;</b> With the commissioning of Turbine Bypass system, a saving of around 80-90 Ton per hour steam, in the event of turbine unplanned outage at least for two hours, was achieved.</p> <p><b>2) APRDS System</b> Further, the Company also lowered the set-point for APRDS (Auxillary Steam) pressure from 13 kg/cm<sup>2</sup> to 11.5 kg/cm<sup>2</sup> without impacting the efficiency of thermal cycle.</p>
	(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NA
	(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.	
<b>C.</b>	<b>Foreign exchange earnings and Outgo-</b>	
	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.	Earning - NIL Expenditure - Rs.152,60,04,093

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF JSW PROJECTS LIMITED**

**Report on the Standalone Ind AS Financial Statements**

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

**Management's Responsibility for the Standalone Ind AS Financial Statements**

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

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

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

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

**Opinion**

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

## Other Matters

The financial statements of the Company for the year ended March 31, 2017, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on December 22, 2017.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section 3 of Section 143 of the Act, based on our audit we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - (e) On the basis of written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of sub-section 2 of Section 164 of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 41.5 of the standalone Ind AS financial statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

  
Hitesh R Khandhadia  
Partner  
M. No.158148  
Place: Mumbai  
Date: May 22, 2018



## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

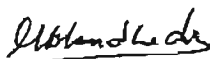
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JSW Projects Limited of even date)

- (i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
  - (b) The Company has a program of verification of its fixed assets through which all the fixed assets are verified in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, reporting under the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with provisions of Section 185 and 186 of the Act in respect of grant of loans, making investment and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) According to the information and explanation given to us, the cost accounts and records have been made and maintained by the Company in accordance with the requirement of section 148 (1) of Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)
  - (a) According to the information and explanations given to us, and the records of the company examined by us, in our opinion, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, no undisputed amounts payable were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, sales tax, value added tax, duty of excise, duty of customs, service tax, cess and other material statutory dues were in arrears as at March 31, 2018, for a period of more than six months from the date they became payable.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and dues to debenture holders during the year. The Company has not taken loans or borrowings from financial institution or government.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of clause 3(ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officer or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with requisite approvals mandated by the provision of Section 197 read with Schedule V of the Companies Act, 2013.



- (xii) In our opinion, the Company is not a Nidhi Company and hence, reporting under paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, and hence, reporting under paragraph 3 (xiv) of the Order is not applicable to the Company.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Hence, reporting under paragraph 3 (xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence, reporting under paragraph 3(xvi) of the Order is not applicable to the Company.

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



Hitesh R Khandhadia  
Partner  
M. No.158148  
Place: Mumbai  
Date: May 22, 2018



## **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

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

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

We have audited the internal financial controls over financial reporting of JSW Projects Limited ("the Company") as of March 31, 2018, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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



### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

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



Hitesh R Khandhadia  
Partner  
M. No.158148  
Place: Mumbai  
Date: May 22, 2018

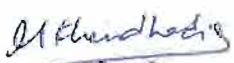


**JSW Projects Limited**  
Balance Sheet as at March 31, 2018

₹ in Lakhs

	Particulars	Notes	As at March 31, 2018	As at March 31, 2017
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, plant and equipment	5	16,809.83	19,407.50
	(b) Capital work-in-progress	6	806.97	600.33
	(c) Intangible assets	5	15.25	31.92
	(d) Financial Assets			
	(i) Investments	7	19,789.00	17,247.11
	(ii) Loans	8	132.94	119.99
	(iii) Finance lease receivables	9	1,37,918.72	1,56,612.82
	(iv) Other financial assets	10	1,356.41	1,330.06
	(e) Non current tax assets (net)	11	738.62	1,689.04
	(f) Other non-current assets	12	60.76	60.76
	<b>Total non-current assets</b>		<b>1,77,628.50</b>	<b>1,97,099.53</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	13	4,548.57	3,909.14
	(b) Financial Assets			
	(i) Investments	14	27,156.91	20,700.00
	(ii) Trade receivables	15	18,561.51	550.85
	(iii) Cash and cash equivalents	16	2,673.83	1,718.54
	(iv) Loans	17	11,700.00	14,850.00
	(v) Finance lease receivables	18	21,856.85	19,221.29
	(vi) Other financial assets	19	501.54	597.79
	(c) Other current assets	20	3,477.72	5,769.71
	<b>Total current assets</b>		<b>90,476.93</b>	<b>67,317.32</b>
	<b>Total Assets</b>		<b>2,68,105.43</b>	<b>2,64,416.84</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity Share Capital	21	100.00	100.00
	(b) Other Equity	22	24,244.44	5,305.00
	<b>Total equity</b>		<b>24,344.44</b>	<b>5,405.00</b>
	<b>Liabilities</b>			
<b>1</b>	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	Borrowings	23	1,79,775.94	2,08,161.58
	(b) Provisions	24	150.11	142.80
	(c) Deferred tax liabilities (net)	25	14,858.45	12,856.90
	(d) Other non-current liabilities	26	14,004.11	5,238.24
	<b>Total non-current liabilities</b>		<b>2,08,788.61</b>	<b>2,26,399.52</b>
<b>2</b>	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Trade payables	27	3,106.72	3,186.62
	(ii) Other financial liabilities	28	29,137.60	26,514.40
	(b) Provisions	29	7.35	9.72
	(c) Other current liabilities	30	2,720.71	2,901.58
	<b>Total current liabilities</b>		<b>34,972.38</b>	<b>32,612.32</b>
	<b>Total equity and liabilities</b>		<b>2,68,105.43</b>	<b>2,64,416.84</b>
	See accompanying notes to the financial statements	1 to 56		


**For HPVS & Associates**  
Chartered Accountants  
Firm Registration No. 137533W

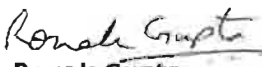
  
**Hitesh R. Khandhadia**  
Partner  
Membership No.: 158148



**For and on behalf of the Board of Directors**

  
**Vineet Agrawal**  
Director  
DIN: 02027288

  
**P. Nagendra Kumar**  
Whole time Director  
DIN: 08010964

  
**Ronak Gupta**  
Company Secretary  
Membership No. A35122

  
**Bhushan Prasad**  
Chief Financial Officer

Place: Mumbai  
Date: 27.05.2018

Place: Mumbai  
Date: 22.05.2018



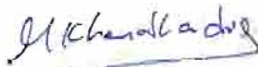
**JSW Projects Limited**

Statement of Profit and Loss for the year ended March 31, 2018

₹ in Lakhs

	Particulars	Notes	For the year ended 31.03.2018	For the year ended 31.03.2017
<b>I</b>	<b>Income</b>			
	(a) Revenue from operations	31	64,069.59	65,071.41
	(b) Other Income	32	7,087.42	4,151.20
	<b>Total Income (I)</b>		<b>71,157.01</b>	<b>69,222.61</b>
<b>II</b>	<b>Expenses</b>			
	(a) Cost of materials and services consumed	33	16,025.15	17,722.88
	(b) Employee benefits expense	34	933.75	872.25
	(c) Finance costs	35	21,909.55	14,496.99
	(d) Depreciation and amortisation expense	36	2,678.24	3,054.73
	(e) Other expenses	37	2,355.24	9,509.35
	<b>Total expenses (II)</b>		<b>43,901.93</b>	<b>45,656.20</b>
<b>III</b>	<b>Profit before tax (I-II)</b>		<b>27,255.08</b>	<b>23,566.41</b>
<b>IV</b>	<b>Tax expense:</b>			
	(a) Current tax	38	-	-
	(b) Deferred tax	39	8,317.75	8,840.38
	<b>Total tax expense (IV)</b>		<b>8,317.75</b>	<b>8,840.38</b>
<b>V</b>	<b>Profit for the year (III-IV)</b>		<b>18,937.33</b>	<b>14,726.03</b>
<b>VI</b>	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss	40(A)(i)	5.25	0.62
	(ii) Income tax relating to items that will not be reclassified to profit or loss	40(A)(ii)	(0.47)	-
	B (i) Items that will be reclassified to profit or loss Re- Measurement of the defined benefit plans	40(B)(i)	(4.10)	(4.75)
	(ii) Income tax relating to items that will be reclassified to profit or loss	40(B)(ii)	1.43	1.64
	<b>Total other comprehensive income for the year (A+B) (VI)</b>		<b>2.11</b>	<b>(2.49)</b>
<b>VII</b>	<b>Total Comprehensive Income for the year (V+VI)</b>		<b>18,939.44</b>	<b>14,723.54</b>
<b>VIII</b>	<b>Earnings per equity share (of ₹ 10/- each):</b>			
	(a) Basic (in ₹)	46	1,893.73	3.09
	(b) Diluted (in ₹)		1,893.73	3.09
	See accompanying notes to the financial statements	1 to 56		

For HPVS & Associates  
Chartered Accountants  
Firm Registration No. 137533W

  
**Hitesh R. Khandhadia**  
Partner  
Membership No.: 158148



Place: Mumbai  
Date: 22.05.2018

For and on behalf of the Board of Directors

  
**Vineet Agrawal**  
Director  
DIN: 02027288

  
**Ronak Gupta**  
Company Secretary  
Membership No. A35122  
Place: Mumbai  
Date: 22.05.2018

  
**P. Nagendra Kumar**  
Whole time Director  
DIN: 08010964

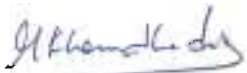
  
**Bhushan Prasad**  
Chief Financial Officer

**JSW Projects Limited**  
Statement of Changes in Equity for the year ended March 31, 2018

₹ 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 at March 31, 2016	47,730.00	-	-	29,961.04	0.37	8.28	77,699.69
Profit for the year	-	-	-	14,726.03	-	-	14,726.03
Other comprehensive income for the year, net of income tax	-	-	-	-	0.62	(3.11)	(2.49)
<b>Total comprehensive income/ (loss) for the year</b>	-	-	-	<b>14,726.03</b>	<b>0.62</b>	<b>(3.11)</b>	<b>14,723.54</b>
Impact on account of amalgamation	(47,630.00)	97.49	-	(39,485.72)	-	-	(87,018.23)
<b>Closing balance as at March 31, 2017</b>	<b>100.00</b>	<b>97.49</b>	<b>-</b>	<b>5,201.35</b>	<b>0.99</b>	<b>5.17</b>	<b>5,405.00</b>
Profit for the year	-	-	-	18,937.33	-	-	18,937.33
Transfer from/to debenture redemption reserve	-	-	21,250.00	(21,250.00)	-	-	-
Other comprehensive income for the year, net of income tax	-	-	-	-	4.78	(2.67)	2.11
<b>Total comprehensive income/ (loss) for the year</b>	-	-	<b>21,250.00</b>	<b>(2,312.67)</b>	<b>4.78</b>	<b>(2.67)</b>	<b>18,939.44</b>
<b>Closing balance as at March 31, 2018</b>	<b>100.00</b>	<b>97.49</b>	<b>21,250.00</b>	<b>2,888.68</b>	<b>5.77</b>	<b>2.50</b>	<b>24,344.44</b>
See accompanying notes to the financial statements 1 to 56							


For HPVS & Associates  
Chartered Accountants  
Firm Registration No. 137533W

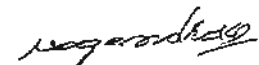
  
Hitesh R. Khandhadiya  
Partner  
Membership No.: 158148



Place: Mumbai  
Date: 22.05.2018

For and on behalf of the Board of Directors

  
Vineet Agrawal  
Director  
DIN: 02027288

  
P. Nagendra Kumar  
Whole time Director  
DIN: 08010964

  
Ronak Gupta  
Company Secretary  
Membership No. A35122  
Place: Mumbai  
Date: 22.05.2018

  
Bhushan Prasad  
Chief Financial Officer

**JSW Projects Limited**  
Statement of Cash flows for the year ended March 31, 2018

₹ in Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A. Cash flow from operating activities</b>		
Net profit before tax	27,255.08	23,566.41
Interest income	(4,966.66)	(2,750.25)
Dividend income	(79.11)	(20.44)
Depreciation and amortisation expenses	2,678.24	3,054.73
Amortisation of finance lease receivables	19,326.60	16,945.30
Unrealised foreign exchange (gain)/loss (Net)	2,529.77	(2,009.75)
Finance cost	21,909.55	14,497.29
Loss on sale of non-current investments	-	277.50
Ind AS adjustment impact due to fair valuation of financial assets	(1,162.67)	5,636.00
<b>Operating profit before working capital changes</b>	<b>67,490.80</b>	<b>59,196.79</b>
<b>Adjustments for increase/decrease in Operating Assets/ Liabilities:</b>		
(Increase)/Decrease in inventories	(639.43)	1.43
(Increase)/Decrease in trade receivables	(18,010.66)	4,905.91
(Increase)/Decrease in other assets	(1,257.59)	(390.91)
(Increase)/Decrease in other financial assets	(3,298.57)	36.90
Increase/(Decrease) in trade payables	(650.60)	1,712.49
Increase/(Decrease) in provisions	9.05	19.43
Increase/(Decrease) in other liabilities	180.86	501.45
	<b>(23,666.93)</b>	<b>6,786.70</b>
<b>Cash generated from operating activities</b>	<b>43,823.87</b>	<b>65,983.49</b>
Direct taxes paid (Net)	(4,500.00)	(4,123.52)
<b>Net cash generated from operating activities (A)</b>	<b>39,323.87</b>	<b>61,859.97</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment/addition to capital-work-in progress	(270.53)	1,579.51
Loans and advances (given)/received back	3,149.00	(11,048.56)
(Purchase)/sale of current investments/mutual funds	(6,483.26)	600.34
(Purchase)/sale of non-current investments	(1,200.00)	(13,278.00)
Interest received	4,870.41	2,711.65
Dividend received	79.11	20.44
<b>Net cash used in investing activities (B)</b>	<b>144.73</b>	<b>(19,414.62)</b>
<b>C. Cash flow from financing activities</b>		
Net proceeds from long term borrowings	(24,367.70)	58,971.51
Net impact on Investments on account of amalgamation	-	(87,018.23)
Interest paid	(14,145.62)	(13,588.65)
<b>Net cash generated/used in financing activities (C)</b>	<b>(38,513.32)</b>	<b>(41,635.37)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>955.29</b>	<b>809.99</b>
Cash and cash equivalents at the beginning of the year	1,718.54	908.55
<b>Cash and cash equivalents at the end of the year (refer note 16)</b>	<b>2,673.83</b>	<b>1,718.54</b>
See accompanying notes to the financial statements 1 to 56		

**For HPVS & Associates**  
Chartered Accountants  
Firm Registration No. 137533W



**Hitesh R. Khandhadia**  
Partner  
Membership No.: 158148



Place: Mumbai  
Date: 22.05.2018

**For and on behalf of the Board of Directors**



**Vineet Agrawal**  
Director  
DIN: 02027288



**P. Nagendra Kumar**  
Whole time Director  
DIN: 08010964



**Ronak Gupta**  
Company Secretary  
Membership No. A35122



**Bhushan Prasad**  
Chief Financial Officer

Place: Mumbai  
Date: 22.05.2018

## JSW PROJECTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

#### 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, 2018, 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 May 22, 2018.

##### 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;



- 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 is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

### 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.

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 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 recognised 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 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. 1<sup>st</sup> 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 as on 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.

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

#### **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.

##### Onerous contracts

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

#### **XVIII. Recent accounting pronouncement:**

##### **Standard issued but not yet effective:**

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 'Revenue from Contracts with Customers' (New Revenue Standard), which replaces Ind AS 11 'Construction Contracts' and Ind AS 18 'Revenue'. The core principle of the New Revenue Standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Some of the key changes introduced by the New Revenue Standard include additional guidance for multiple-element arrangements, measurement approaches for variable consideration, adjustments for time value of money etc.

Significant additional disclosures in relation to revenue are also prescribed. The New Revenue Standard also provides two broad alternative transition options - Retrospective Method and Cumulative Effect Method - with certain practical expedients available under the Retrospective Method. The Company is in the process of evaluating the impact of the New Revenue Standard on the present and future arrangements and shall determine the appropriate transition option once the said evaluation has been completed.



Also Appendix B to Ind AS 21, foreign currency transactions and advance consideration was notified along with the same notification which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The Company is in the process of evaluating the effect of amendment on its financial statements.

Amendments to Ind AS 12:

Amendments to Ind AS 12, Income Taxes clarifying the requirements for recognising deferred tax assets on unrealised losses. The amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. They also clarify certain other aspects of accounting for deferred tax assets. These amendments only clarify the existence of guidance of Ind AS 12 and do not change the underlying principles for recognition of deferred tax asset.

## **XIX. 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 an accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividends will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

### **c) Derecognition of financial assets**

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been



recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

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

#### **d) Impairment**

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

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

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

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

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

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



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

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

#### e) Effective interest method

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

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

### B. Financial liabilities and equity instruments

#### a) Classification as debt or equity

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

#### b) Equity instruments

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

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

#### c) Financial liabilities

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

##### Financial liabilities at FVTPL:

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

A financial liability is classified as held for trading if:

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

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

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



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

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

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

**d) Other financial liabilities:**

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

**e) Derecognition of financial liabilities:**

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

**f) Reclassification of financial assets:**

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

**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 described 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.

- 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 crystallising 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.

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.



**JSW Projects Limited**

Notes to the financial statements as at March 31, 2018

**Note - 5: 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
<b>Cost or deemed cost</b>								
Balance as at March 31, 2016	877.52	9.46	1,661.13	25,744.35	33.42	13.85	8.16	28,347.88
Additions	-	-	3.36	81.84	0.20	22.26	0.63	108.28
Disposals	-	-	-	-	-	11.64	-	11.64
<b>Balance as at March 31, 2017</b>	<b>877.52</b>	<b>9.46</b>	<b>1,664.48</b>	<b>25,826.19</b>	<b>33.61</b>	<b>24.47</b>	<b>8.79</b>	<b>28,444.53</b>
Additions	-	-	34.88	1.10	27.91	-	-	63.89
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2018</b>	<b>877.52</b>	<b>9.46</b>	<b>1,699.37</b>	<b>25,827.29</b>	<b>61.52</b>	<b>24.47</b>	<b>8.79</b>	<b>28,508.42</b>
<b>Accumulated depreciation</b>								
Balance as at March 31, 2017	-	0.90	319.55	8,698.41	5.00	9.79	3.40	9,037.03
Depreciation	-	0.16	109.71	2,538.40	3.35	8.74	1.22	2,661.57
Eliminated on disposal/adjustment of assets	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2018</b>	<b>-</b>	<b>1.05</b>	<b>429.25</b>	<b>11,236.80</b>	<b>8.35</b>	<b>18.53</b>	<b>4.62</b>	<b>11,698.60</b>
<b>Carrying amount as at March 31, 2018</b>	<b>877.52</b>	<b>8.41</b>	<b>1,270.12</b>	<b>14,590.49</b>	<b>53.18</b>	<b>5.94</b>	<b>4.18</b>	<b>16,809.83</b>
<b>Carrying amount as at March 31, 2017</b>	<b>877.52</b>	<b>8.56</b>	<b>1,344.94</b>	<b>17,127.78</b>	<b>28.61</b>	<b>14.68</b>	<b>5.39</b>	<b>19,407.50</b>
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 ₹ 20,407.50/- lakhs (previous year ₹ 20,336.09/- 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

**Intangible assets**

₹ in Lakhs

Particulars	Software	Intangible assets total
<b>Cost or deemed cost</b>		
Balance as at March 31, 2017	81.26	81.26
Amortisation	-	-
Eliminated on disposal of assets	-	-
<b>Balance as at March 31, 2018</b>	<b>81.26</b>	<b>81.26</b>
<b>Accumulated amortisation</b>		
Balance as at March 31, 2017	49.34	49.34
Amortisation	16.67	16.67
Eliminated on disposal of assets	-	-
<b>Balance as at March 31, 2018</b>	<b>66.01</b>	<b>66.01</b>
<b>Carrying amount as at March 31, 2018</b>	<b>15.25</b>	<b>15.25</b>
<b>Carrying amount as at March 31, 2017</b>	<b>31.92</b>	<b>31.92</b>
Life of asset	3	
Method of depreciation	SLM	



**JSW Projects Limited**

Notes to the financial statements as at March 31, 2018

**Note - 6: Capital work in progress**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance as at March 31, 2017 - (A)	600.33	2,279.24
Plant and machinery and civil works - (B)	764.02	2,581.68
<b>Total (A+B)</b>	<b>1,364.35</b>	<b>4,860.92</b>
Less: Amount transferred to fixed assets/Finance lease receivable	(557.38)	(4,260.59)
Less: Intangible assets under development	-	-
<b>Balance carried forward as at March 31, 2018</b>	<b>806.97</b>	<b>600.33</b>

**Note - 7: Investments (Non-current)**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Quoted investments in equity instruments at FVTOCI (all fully paid) :</b>		
<b>In Others</b>		
JSW Steel Limited 1,000 Shares of ₹ 1 each (previous year 1,000 shares of ₹ 1 each)	2.88	1.88
JSW Holdings Limited 100 Shares (previous year 100) of ₹ 10 each	1.65	1.53
<b>Unquoted investments in equity instruments at FVTOCI (all fully paid) :</b>		
<b>In Others</b>		
JSW Techno Projects Management Limited 50 Shares (previous year 50) of ₹ 10 each	4.13	0.01
<b>Unquoted investment in preference shares at FVTPL (all fully paid)</b>		
<b>In Others</b>		
JSW Techno Projects Management Limited 33,15,00,000 Zero coupon non convertible redeemable preference shares (previous year 31,95,00,000) of ₹ 10 each	19,780.34	17,243.69
<b>Total</b>	<b>19,789.00</b>	<b>17,247.11</b>
Aggregate value of quoted investments at cost	2.39	2.39
Aggregate market value of quoted investments	4.54	3.41
Aggregate value of unquoted investments at cost	33,150.01	31,950.01
Aggregate carrying amount of unquoted investments	19,784.47	17,243.70

**Note - 8: Loans (non-current)**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Unsecured, considered good</b>		
<b>Security deposits</b>		
to related party	131.49	119.54
to others	1.45	0.45
<b>Total</b>	<b>132.94</b>	<b>119.99</b>

**Note - 9: Finance lease receivables (Non-current)**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Finance lease receivables	1,37,918.72	1,56,612.82
<b>Total</b>	<b>1,37,918.72</b>	<b>1,56,612.82</b>

**Note -10: Other financial assets (Non-current)**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Other bank balances</b>		
In margin money (term deposits) with original maturity of more than twelve months	1,356.41	1,330.06
<b>Total</b>	<b>1,356.41</b>	<b>1,330.06</b>

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



**Note - 11: Non current tax assets (net)**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Non current tax assets (A)</b>		
Advance income tax (including TDS receivable)	17,201.61	11,761.81
	<b>17,201.61</b>	<b>11,761.81</b>
<b>Non current tax liabilities (B)</b>		
Provision for income tax	16,462.99	10,072.77
	<b>16,462.99</b>	<b>10,072.77</b>
<b>Total (A-B)</b>	<b>738.62</b>	<b>1,689.04</b>

**Note - 12: Other non current assets**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Unsecured, considered good</b>		
Prepayment and others	60.76	60.76
<b>Total</b>	<b>60.76</b>	<b>60.76</b>

**Note - 13: Inventories**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Inventories (lower of cost and net realisable value)</b>		
Stores and spares	4,548.57	3,909.14
<b>Total</b>	<b>4,548.57</b>	<b>3,909.14</b>

**Cost of inventories recognised as an expense**

₹ in Lakhs

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Stores and spares	2,327.43	2,667.55
<b>Total</b>	<b>2,327.43</b>	<b>2,667.55</b>

**Note -14: Other investments (Current)**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Quoted Investments in mutual fund at FVTPL (fully paid)</b>		
Reliance liquid fund - treasury plan - daily dividend reinvestment 1,72,770.756 (previous year nil) units of ₹ 1,529.592 each	2,642.69	-
ICICI liquid fund - daily dividend reinvestment 12,01,729.792 (previous year nil) units of ₹ 100.2066 each	1,204.21	-
HDFC liquid fund - daily dividend reinvestment 2,55,928.226 (previous year nil) units of ₹ 1019.82 each	2,610.01	-
<b>Unquoted Investments in debentures at deemed cost [refer note 14.1]</b>		
JSW Techno Projects Management Limited 207 (previous year 207) 9% non-convertible debentures of ₹ 1,00,00,000 each	20,700.00	20,700.00
<b>Total</b>	<b>27,156.91</b>	<b>20,700.00</b>
Aggregate carrying amount of quoted investments (at cost)	3,846.90	-
Aggregate carrying amount of quoted investments in mutual fund (at market value)	3,846.90	-
Aggregate carrying amount of unquoted investments in debentures (at cost)	20,700.00	20,700.00
Aggregate carrying amount of unquoted investments in debentures (at market value)	20,700.00	20,700.00

Note 14.1:- The debentures carry interest at 9% per annum payable semi-annually, and mature between November 2018 to January 2019 at a redemption premium of 20% on face value thereof, unless and until the Company exercises its option of premature redemption of the whole or part of the debentures held.



Note - 15: Trade receivables

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured Considered good	18,561.51	550.85
<b>Total</b>	<b>18,561.51</b>	<b>550.85</b>

Age of receivables

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
15- 90 days	18,221.82	550.85
91-180 days	324.46	-
181 - 365 days	15.23	-
<b>Total</b>	<b>18,561.51</b>	<b>550.85</b>

The credit period on sales of goods and services ranges from 1 to 15 days without security

Note - 16: Cash and cash equivalents

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with banks in current account	323.72	1,267.15
Balances with banks in term deposit with maturity less than three months	2,350.00	450.00
Cash on hand	0.11	1.39
<b>Total</b>	<b>2,673.83</b>	<b>1,718.54</b>

Note - 17: Loans (Current)

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good		
Loan to related party*(refer note 45.b.2)	1,650.00	3,800.00
Inter corporate deposit	9,400.00	9,400.00
Advance to other	650.00	1,650.00
<b>Total</b>	<b>11,700.00</b>	<b>14,850.00</b>

\* The loans and advances have been given to Realcom Reality Private Limited for business purposes and its repayable within a year, bearing interest rate @ 11% p.a.

Details of loan and advances in the nature of loans to related party

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Realcom Reality Private Limited		
Maximum Amount outstanding during the year	3,800.00	3,800.00
Amount outstanding	1,650.00	3,800.00

Note - 18: Finance lease receivables (Current)

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Finance lease receivables	21,856.85	19,221.29
<b>Total</b>	<b>21,856.85</b>	<b>19,221.29</b>

Note - 19: Other financial assets (Current)

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Interest receivable	501.54	597.79
<b>Total</b>	<b>501.54</b>	<b>597.79</b>

Note - 20: Other current assets

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good		
Indirect tax balances/recoverable/credits	3,301.36	5,345.08
Other assets	176.36	424.63
<b>Total</b>	<b>3,477.72</b>	<b>5,769.71</b>



## Note - 21: Equity share capital

Particulars	₹ in Lakhs	
	As at March 31, 2018	As at March 31, 2017
<b>Authorised share capital</b> 55,00,00,000 (previous year 55,00,00,000) equity shares of ₹ 10 each	55,000.00	55,000.00
<b>Issued, subscribed and fully paid up capital</b> 10,00,000 (previous year 47,73,00,000) equity shares of ₹ 10 each	100.00	47,730.00
	<b>100.00</b>	<b>47,730.00</b>
<b>Shares pending cancellation</b> Nil (previous year 47,73,00,000) equity shares of ₹ 10 each	-	(47,730.00)
	-	<b>(47,730.00)</b>
<b>Shares pending allotment</b> Nil (previous year 10,00,000) equity shares of ₹ 10 each	-	100.00
	-	<b>100.00</b>
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

## 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, 2018		As at March 31, 2017	
	No. of shares	₹ in Lakhs	No. of shares*	₹ in Lakhs
Shares outstanding at the beginning of the year	47,73,00,000	47,730.00	47,73,00,000	47,730.00
Add: Issued during the year	10,00,000	100.00	-	-
Less: Cancel during the year	(47,73,00,000)	(47,730.00)	-	-
<b>Outstanding at the end of the year</b>	<b>10,00,000</b>	<b>100.00</b>	<b>47,73,00,000</b>	<b>47,730.00</b>

\*Pursuant to and under Scheme, the whole of the existing share capital of the Company aggregating to ₹ 477,30,00,000 stand cancelled upon the Scheme

becoming effective. The said equity shares have been shown as "Shares Pending Cancellation" in the accounts of the Company as on March 31, 2017.

## 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, 2018		As at March 31, 2017	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Unity Advisory Services Private Limited (along with nominees)	-	-	47,73,00,000	47,730.00
Mr. Sajjan Jindal & Mrs. Sangita Jindal, as trustee of Sajjan Jindal Family trust	10,00,000	100.00	-	-

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

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of shares	% of holding	No. of shares	% of holding
Unity Advisory Services Private Limited (along with nominees)	-	-	47,73,00,000	100%
Mr. Sajjan Jindal & Mrs. Sangita Jindal, as trustee of Sajjan Jindal Family trust	10,00,000	100%	-	-

## Note - 22: Other Equity

Particulars	₹ in Lakhs	
	As at March 31, 2018	As at March 31, 2017
<b>Capital Reserve</b>		
Capital Reserve on account of Amalgamation		
Balance at beginning of the year	97.49	-
Add: Impact as per provision of Appendix C of Ind AS 103	-	97.49
<b>Balance at end of the year</b>	<b>97.49</b>	<b>97.49</b>
<b>Retained Earnings</b>		
Surplus/(Deficit) in the statement of profit and loss		
Balance at beginning of the year	5,201.35	29,961.04
Less: Impact of amalgamation	-	(39,485.72)
Add: Profit for the year	18,937.33	14,726.03
Less: Transfer to debenture redemption reserve	(21,250.00)	-
<b>Balance at end of the year</b>	<b>2,888.68</b>	<b>5,201.35</b>
<b>Other reserve</b>		
Debenture Redemption Reserve **		
Balance at beginning of the year	-	-
Add: Transfer from retained earnings	21,250.00	-
<b>Balance at end of the year</b>	<b>21,250.00</b>	<b>-</b>
<b>Other comprehensive income</b>		
Reserve for equity instruments through other comprehensive income		
Balance at beginning of year	0.99	0.37
Net fair value gain on investments in equity instruments at FVTOCI	5.25	0.62
Income tax on net fair value gain on investments in equity instruments at FVTOCI	(0.47)	-
<b>Balance at end of the year</b>	<b>5.77</b>	<b>0.99</b>
Reserve for defined benefit obligation carried through OCI		
Balance at beginning of year	5.17	8.28
Net Gain/ (loss) on defined benefit obligation carried to OCI during the year	(4.10)	(4.75)
Income tax on net fair value gain on investments in equity instruments at FVTOCI	1.43	1.64
<b>Balance at end of the year</b>	<b>2.50</b>	<b>5.17</b>
<b>Total</b>	<b>24,244.44</b>	<b>5,305.00</b>

\*\*The Indian Companies Act requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. Companies are required to maintain 25% as a reserve of outstanding redeemable debentures. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures.



**JSW Projects Limited**

Notes to the financial statements as at March 31, 2018

**Note 23: Borrowings (Non-current)**

₹ in lakhs

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non-current	Current maturities	Non-current	Current maturities
<b>Secured - at amortised cost [refer note 23.1, 23.2 and 23.3]</b>				
Rupee term loans from banks	85,420.00	15,520.00	1,00,940.00	12,520.00
External commercial borrowings	9,535.82	13,347.46	20,758.25	12,199.98
<b>Unsecured debentures issued to others (amortised cost): [refer note 23.4]</b>				
6,500 (Previous year: 6,500) Rated, Listed, Zero-Coupon, Redeemable, Non-convertible Debentures of ₹10,00,000 each	65,000.00	-	65,000.00	-
2,000 (Previous year: 2,000) Rated, Listed, Zero-Coupon, Redeemable, Non-convertible Debentures of ₹10,00,000 each	20,000.00	-	20,000.00	-
<b>Unsecured term loans from related parties (amortised cost):</b>				
From Body Corporate (refer note 45.b)	-	-	1,772.75	-
	<b>1,79,955.82</b>	<b>28,867.46</b>	<b>2,08,471.00</b>	<b>24,719.98</b>
Unamortised upfront fees on borrowing	(179.88)	(105.18)	(309.43)	(153.52)
<b>Total</b>	<b>1,79,775.94</b>	<b>28,762.28</b>	<b>2,08,161.58</b>	<b>24,566.46</b>

**Secured Loans:**
**23.1 Details of security:**

The term loans and external commercial borrowings 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.

The National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated December 6, 2017 had approved the Scheme of Amalgamation of Prati-rup Advisory Services Private Limited ("PASPL" or "Transferor Company 1") and Unity Advisory Services Private Limited ("UASPL" or "Transferor Company 2") with JSW Projects Limited ("Company" or "Transferee Company") and their respective shareholders ("the Scheme"). In view of the said Scheme, the existing Issued, Subscribed and Paid-up Share Capital of 47,73,00,000 Equity Shares of ₹ 10 each amounting to ₹ 477,30,00,000 was cancelled and fresh 10,00,000 Equity Shares of ₹ 10 each amounting to ₹ 1,00,00,000 were issued and allotted to shareholders of the Transferor Company 1 along with their nominee in proportion to their shareholding in Transferor Company 1. However, owing to the pledge on the existing shares to the Lenders of the Company as security for the Term Loan availed, the procedure with respect to the cancellation of existing shares from the Demat Account of Transferor Company 2 and crediting of the fresh shares to the Shareholders of Transferor Company 1 is still pending.

**23.2 Rate of interest**

- (A) Indian rupee term loan from banks carries interest @ 9.70% to 10.15%  
 (B) Foreign currency loan in Euro carries interest @ 6 months Euribor plus 3.26% p.a.  
 (C) Foreign currency loan in USD carries interest @ 4.65% p.a.

**23.3 Terms of Repayment:**
**(A) Rupee term loans from banks**

- (i) ₹ 14,000.00 lakhs term loan facility is repayable in 4 equal quarterly instalments of ₹3,500.00 lakhs from 30.06.2018 to 31.03.2019.  
 (ii) ₹ 18,000.00 lakhs term loan facility is repayable in 4 equal quarterly instalments of ₹4,500.00 lakhs from 30.06.2019 to 31.03.2020.  
 (iii) ₹ 30,000.00 lakhs term loan facility is repayable in 4 equal quarterly instalments of ₹7,500.00 lakhs from 30.06.2020 to 31.03.2021.  
 (iv) ₹ 34,000.00 lakhs term loan facility is repayable in 4 equal quarterly instalments of ₹8,500.00 lakhs from 30.06.2021 to 31.03.2022.  
 (v) ₹ 4,940.00 lakhs term loan facility is repayable in 13 equal quarterly instalments of ₹380.00 lakhs from 15.04.2017 to 15.04.2021.





**(B) External commercial borrowings**

- (i) ₹8,000.42 lakhs is repayable in 3 half yearly instalments of ₹ 2,666.808 lakhs each dated each from 20.09.2018, 20.03.2019 and 20.09.2019.
- (ii) ₹ 3,434.51 lakhs is repayable in 3 instalments of ₹ 1,144.835 lakhs each dated 30.09.2018, 31.03.2019 and 30.09.2019.
- (iii) ₹ 11448.35 lakhs is repayable in 4 instalments of ₹ 2,862.088 lakhs each dated 30.06.2018, 31.12.2018, 30.06.2019 and 31.12.2019.

**Unsecured Loans:**

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

1. 6,500 (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 2,000 NCDs.
- (iii) 38 months and 15 days from the date of allotment in respect of 2,000 NCDs.

The aforesaid NCDs are secured by pledge of 4,00,00,000 equity shares of JSW Steel Limited held by JSW Holdings Limited, 45,72,000 equity shares of JSW Steel Limited held by JSW Techno Projects Management Limited and 8,66,67,000 equity shares of JSW Energy Limited held by JSW Investments Private Limited.

2. 2,000 (previous year: 2,000) Rated, Listed, Zero Coupon, Redeemable , Non-convertible Debentures (NCDs) allotted on 15th March, 2017 are redeemable at a premium of 10.20% IRR not later than:

- (i) 41 months from the date of allotment in respect of 1,500 NCDs.
- (ii) 38 months from the date of allotment in respect of 500 NCDs.

The aforesaid NCDs are secured by pledge of 72,01,000 equity shares of JSW Steel Limited held by Vividh Finvest Private Limited, 72,00,000 equity shares of JSW Steel Limited held by Sahyog Holdings Private Limited and 2,46,67,000 equity shares of JSW Energy Limited held by JSW Investments Private Limited.



**Note - 24: Provisions (Non-current)**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for gratuity (refer note 42)	104.04	94.86
Provision for leave encashment	46.07	47.94
<b>Total</b>	<b>150.11</b>	<b>142.80</b>

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, 2018	As at March 31, 2017
Deferred tax liabilities (net)	21,174.80	18,444.37
Less MAT Credit entitlement	(6,316.35)	(5,587.47)
<b>Total</b>	<b>14,858.45</b>	<b>12,856.90</b>

**Note - 26: Other non-current liabilities**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Advance against BOOT agreement (refer note 45.b.2)	4,937.73	4,937.73
Accrued premium on Non-convertible debentures	9,066.38	300.51
<b>Total</b>	<b>14,004.11</b>	<b>5,238.24</b>

**Note - 27: Trade payables**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Total outstanding dues of micro and small enterprises (refer note 51)	112.61	111.07
Total outstanding dues of creditors other than micro and small enterprises	2,994.11	3,075.55
<b>Total</b>	<b>3,106.72</b>	<b>3,186.62</b>

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, 2018	As at March 31, 2017
Current maturities of long-term debt (refer note 23)	28,762.28	24,566.46
Interest accrued but not due on borrowings	146.98	1,148.91
Payable towards capital expenditure	228.34	799.03
<b>Total</b>	<b>29,137.60</b>	<b>26,514.40</b>

**Note - 29: Provisions (Current)**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for gratuity	3.10	2.69
Provision for leave encashment	4.25	7.03
<b>Total</b>	<b>7.35</b>	<b>9.72</b>

**Note - 30: Other current liabilities**

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Statutory liabilities	1,865.93	360.49
Other payables	854.78	2,541.09
<b>Total</b>	<b>2,720.71</b>	<b>2,901.58</b>



Note - 31: Revenue from operations

Particulars	₹ in lakhs	
	For the year ended 31.03.2018	For the year ended 31.03.2017
<b>a) Sale of Services</b>		
Conversion charges*	37,809.87	31,417.24
Execution of contract Services	289.37	3,313.24
<b>Total (a)</b>	<b>38,099.24</b>	<b>34,730.48</b>
<b>b) Other operating Income</b>		
Rental income: Finance lease rental income	18,745.95	20,542.77
<b>Sale of Products</b>		
Power	7,224.40	9,069.46
Steam	-	728.70
<b>Total (b)</b>	<b>25,970.35</b>	<b>30,340.93</b>
<b>Total (a+b)</b>	<b>64,069.59</b>	<b>65,071.41</b>

\*Conversion charges as per Indian Generally Accepted Accounting Policies (IGAAP) is ₹ 75,882.42 Lakhs which has been reduced to ₹ 37,809.87 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 ₹ 18,745.95 Lakhs resulting in net decrease of revenue from operations by ₹ 19,326.60 Lakhs.

Note - 32: Other income

Particulars	₹ In lakhs	
	For the year ended 31.03.2018	For the year ended 31.03.2017
<b>a) Interest income</b>		
Investment in debt instruments carried at deemed cost	1,863.00	1,863.00
Bank deposits carried at amortised cost	87.09	125.24
Other financial assets carried at amortised cost	3,016.57	575.26
	<b>4,966.66</b>	<b>2,563.50</b>
<b>b) Dividend income</b>		
Dividend from equity instruments designated as at FVTOCI	0.02	0.01
Dividend from investment in mutual fund measured at FVTPL	79.09	20.44
	<b>79.11</b>	<b>20.45</b>
<b>c) Miscellaneous income</b>		
Fair value from investment in preference shares measured at FVTPL	1,944.98	1,207.71
Others (scrap sales, interest on income tax refund, pledge fees, etc.)	96.67	359.54
	<b>2,041.65</b>	<b>1,567.25</b>
<b>Total (a+b+c)</b>	<b>7,087.42</b>	<b>4,151.20</b>

Note - 33: Cost of materials and services consumed

Particulars	₹ in lakhs	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Consumption of stores, spares, gases and water	5,460.35	5,453.16
Power and fuel	451.49	2,351.97
Conversion charges	10,113.31	9,917.75
<b>Total</b>	<b>16,025.15</b>	<b>17,722.88</b>

Note - 34: Employee benefits expense

Particulars	₹ in lakhs	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Salaries and wages	891.34	825.37
Contribution to provident and other funds (refer note 42.1 a)	32.00	30.77
Staff welfare expenses	10.41	16.11
<b>Total</b>	<b>933.75</b>	<b>872.25</b>



Particulars	₹ in lakhs	
	For the year ended 31.03.2018	For the year ended 31.03.2017
<b>a) Interest costs :-</b>		
Interest on external commercial borrowing , Non Convertible Debentures and term loans (other than those from related parties)	20,541.43	14,273.37
Interest on trade payable balances pertaining to Micro, Small and Medium Enterprises (refer note 51)	-	0.64
	<b>20,541.43</b>	<b>14,274.01</b>
<b>b) Other borrowing cost</b>		
Others	1,368.12	222.98
<b>Total (a+b)</b>	<b>21,909.55</b>	<b>14,496.99</b>

Particulars	₹ in lakhs	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Depreciation of property, plant and equipment	2,661.57	3,038.06
Amortisation of intangible assets	16.67	16.67
<b>Total</b>	<b>2,678.24</b>	<b>3,054.73</b>

Particulars	₹ in lakhs	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Rent, rates and taxes	236.97	669.69
Repairs and maintenance	54.38	3.69
Insurance	180.43	190.91
Legal and professional fees	270.26	130.51
Travelling expenses	11.43	9.35
Foreign exchange loss (net)	36.90	32.17
Remuneration to auditors (refer note 52)	13.64	11.22
CSR expenditure (refer note 53)	311.49	238.34
Donation	-	850.00
Effect on profit and loss statement due to fair valuation of investment in preference shares	608.33	6,843.71
Loss on sale of investment	-	277.50
Guest house expenses	592.65	40.88
Miscellaneous expenses	38.77	211.38
<b>Total</b>	<b>2,355.24</b>	<b>9,509.35</b>

Particulars	₹ in lakhs	
	For the year ended 31.03.2018	For the year ended 31.03.2017
In respect of the current year		
Current tax expense	6,316.35	5,587.47
Less: - MAT credit entitlement	(6,316.35)	(5,587.47)
	-	-
In respect of the prior years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Particulars	₹ in lakhs	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Recognised/reversed through profit and loss	8,317.75	8,840.38
<b>Total</b>	<b>8,317.75</b>	<b>8,840.38</b>

Particulars	₹ in lakhs	
	For the year ended 31.03.2018	For the year ended 31.03.2017
<b>A (i) Items that will not be reclassified to profit or loss</b>		
Equity Instruments through other comprehensive Income	5.25	0.62
(ii) Income tax relating to Items that will not be reclassified to profit or loss	(0.47)	-
<b>B (i) Items that may be reclassified to profit or loss</b>		
Re- Measurement of the defined benefit plans	(4.10)	(4.75)
(ii) Income tax relating to items that may be reclassified to profit or loss	1.43	1.64
<b>Total</b>	<b>2.11</b>	<b>(2.49)</b>



## JSW Projects Limited

Notes to the financial statements for the year ended March 31, 2018

### 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 Kurekasa 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 has entered into a put option agreement with the Trustees of Debenture Holders and call and put option agreement with the equity investors of Dolvi Minerals and Metals Private Limited (DMMPL), a Company mainly engaged in the business of trading of metallic and non metallic minerals. In case put option is exercised either by Debenture Trustee or by Equity investors, JSW Projects will have to invest the amount in DMMPL as under on due date:
- ₹ 700 crores plus 12.50% interest compounded annually towards investments in secured Debentures on October 2019 and ₹ 60 crores plus 16% interest compounded annually towards investments in Equity on February 2019. The Equity Investors have the option to extend the put option for further period of 24 months.
- 41.3 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.
- 41.4 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.
- 41.5 Contingent liabilities current year Nil (previous year: Nil).

### 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 ₹ 25.86 Lakhs (Year ended 31st March, 2017 ₹ 23.99 Lakhs) for Provident Fund contributions and ₹ 4.39 Lakhs/- (Year ended 31st March, 2017 ₹ 4.67 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:

The Company sponsors funded defined benefit plans for qualifying employees of its subsidiaries. The defined benefit plans are administered by a separate Fund that is legally separated from the entity. The board of the fund is composed of an equal number of representatives from both employers and (former) employees. The board of the fund is required by law and by its articles of association to act in the interest of the fund and of all relevant stakeholders in the scheme, i.e. active employees, inactive employees, retirees, employers. The board of the fund is responsible for the investment policy with regard to the assets of the fund.

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 defined benefit pension plans requires contributions from employees. Contributions are in the following two forms; one is based on the number of years of service and the other one is based on a fixed percentage of salary of the employees. Note 2(VIII) describes change in accounting in the current year following the adoption of the amendments to Ind AS 19.



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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, 2018 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.

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, 2018	Year ended March 31, 2017
	Gratuity	Gratuity
<b>Components of employer expense</b>		
Current service cost	7.49	7.24
Interest cost	7.02	6.67
Expected return on plan assets	-	-
Actuarial losses/(gains)	4.10	4.75
<b>Total expense recognised in the Statement of Profit and Loss</b>	<b>18.61</b>	<b>18.66</b>
<b>Actual contribution and benefit payments for year</b>		
Actual benefit payments	9.02	3.82
Actual contributions	18.61	18.66
<b>Net asset / (liability) recognised in the Balance Sheet</b>		
Present value of defined benefit obligation	107.14	97.55
Fair value of plan assets	-	-
Funded status (Surplus / (Deficit))	-	-
Unrecognised past service costs	-	-
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>(107.14)</b>	<b>(97.55)</b>



₹ in Lakhs

42.2.b Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Gratuity	Gratuity
<b>Change in defined benefit obligations (DBO) during the year</b>		
Present value of DBO at beginning of the year	97.55	82.70
Current service cost	7.49	7.24
Interest cost	7.02	6.67
Actuarial (gains) / losses	4.10	4.75
Liability transferred out/divestment	-	-
Benefits paid	(9.02)	(3.82)
<b>Present value of DBO at the end of the year</b>	<b>107.14</b>	<b>97.55</b>
<b>Change in fair value of assets during the year</b>		
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	-	-
<u>Actual return on plan assets</u>	-	-
<b>Actuarial assumptions</b>		
Discount rate	7.78%	7.20%
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	
<u>Estimate of amount of contribution in the immediate next year</u>	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

42.2.c Experience adjustments	₹ In Lakhs				
Gratuity	2017-18	2016-17	2015-16	2014-15	2013-14
Present value of DBO	107.14	97.55	82.70	90.19	71.75
Fair value of plan assets	-	-	-	-	-
[Surplus / (Deficit)]	(4.10)	(4.75)	12.66	(5.63)	(20.48)
Experience adjustments on plan liabilities	-	-	-	-	-
Experience adjustments on plan assets	-	-	-	-	-

**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 analyses 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.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Increase	Decrease	Increase	Decrease
	Discount rate (1% movement)	(6.48)	7.27	(5.79)
Future salary growth (1% movement)	7.33	(6.64)	6.50	(5.91)
Attrition rate (1% movement)	0.76	(0.85)	0.42	(0.47)

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, 2018	Year ended March 31, 2017
Present value of unfunded obligation (₹ in Lakhs)	50.32	54.97
Expense recognised in Statement of profit and loss (₹ in Lakhs)	11.10	16.26
Discount rate (p.a)	7.78%	7.20%
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 jobwork 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.



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

Particulars	₹ in Lakhs	
	As at March 31, 2018 ₹ in Lakhs	As at March 31, 2017 ₹ in Lakhs
Debt (i)	2,06,873.28	2,31,192.88
Cash and bank balances (including cash and bank balances in a disposal group held for sale)	(2,673.83)	(1,718.34)
<b>Net debt</b>	<b>2,06,149.45</b>	<b>2,31,472.44</b>
<b>Total equity</b>	<b>24,344.44</b>	<b>5,405.00</b>
<b>Net debt to equity ratio</b>	<b>846.80%</b>	<b>4282.56%</b>

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

44.2 Categories of financial instruments

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying values	Fair values	Carrying values	Fair values
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Loans	11,832.94	11,832.94	14,860.88	14,919.09
Other financial assets	1,857.95	1,857.95	1,827.85	1,827.85
Finance lease receivable	1,89,775.57	1,89,775.57	1,75,834.11	1,75,834.11
Trade receivables	18,561.51	18,561.51	550.83	550.83
Cash and cash equivalents	2,673.83	2,673.83	1,718.34	1,718.34
<b>Total Financial Assets carried at amortised cost (A)</b>	<b>1,94,701.80</b>	<b>1,94,701.80</b>	<b>1,95,001.33</b>	<b>1,95,001.33</b>
<b>Measured at deemed cost</b>				
Current investment in non-convertible debentures	20,700.00	20,700.00	20,700.00	20,700.00
<b>Total Financial Assets carried at deemed cost (B)</b>	<b>20,700.00</b>	<b>20,700.00</b>	<b>20,700.00</b>	<b>20,700.00</b>
<b>Measured at fair value through profit and loss</b>				
Non-current investments in preference shares	19,780.34	19,780.34	17,243.69	17,243.69
Current investments in mutual funds	6,456.91	6,456.91	-	-
<b>Total Financial Assets at fair value through profit and loss (C)</b>	<b>26,237.25</b>	<b>26,237.25</b>	<b>17,243.69</b>	<b>17,243.69</b>
<b>Measured at fair value through other comprehensive income</b>				
Non-current investments in equity instruments	8.66	8.66	3.42	3.42
<b>Total Financial Assets at fair value through profit and loss (D)</b>	<b>8.66</b>	<b>8.66</b>	<b>3.42</b>	<b>3.42</b>
<b>Total Financial Assets (A+B+C+D)</b>	<b>2,41,647.71</b>	<b>2,41,647.71</b>	<b>2,32,948.44</b>	<b>2,32,948.44</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
<b>Non-current liabilities</b>				
Non-current borrowings	1,79,775.94	1,79,775.94	2,08,186.58	2,08,186.58
Trade payables	3,106.72	3,106.72	3,186.87	3,186.87
Other financial liabilities	29,137.60	29,137.60	26,518.60	26,518.60
<b>Financial Liabilities measured at amortised cost</b>	<b>2,12,020.26</b>	<b>2,12,020.26</b>	<b>2,37,862.60</b>	<b>2,37,862.60</b>
<b>Total Financial Liabilities</b>	<b>2,12,020.26</b>	<b>2,12,020.26</b>	<b>2,37,862.60</b>	<b>2,37,862.60</b>





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

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.

Particulars	As at March 31, 2018					As at March 31, 2017				
	USD-INR	EURO-INR	INR	Others	Total	USD-INR	EURO-INR	INR	Others	Total
<b>Financial assets</b>										
<b>Non-current financial assets</b>										
Investments	-	-	19,789.01	-	19,789.01	-	-	27,247.11	-	27,247.11
Loans	-	-	132.94	-	132.94	-	-	119.28	-	119.28
Finance lease receivables	-	-	1,37,918.72	-	1,37,918.72	-	-	1,56,612.83	-	1,56,612.83
Other financial assets	-	-	1,356.41	-	1,356.41	-	-	1,330.00	-	1,330.00
<b>Total non-current financial assets</b>	-	-	<b>1,59,197.07</b>	-	<b>1,59,197.07</b>	-	-	<b>1,75,209.07</b>	-	<b>1,75,209.07</b>
<b>Current financial assets</b>										
Investments	-	-	27,156.91	-	27,156.91	-	-	20,700.00	-	20,700.00
Trade receivables	-	-	18,561.51	-	18,561.51	-	-	150.85	-	150.85
Cash and cash equivalents	-	-	2,673.83	-	2,673.83	-	-	1,718.54	-	1,718.54
Finance lease receivables	-	-	21,856.85	-	21,856.85	-	-	19,121.29	-	19,121.29
Other financial assets	-	-	501.54	-	501.54	-	-	597.79	-	597.79
Loans	-	-	11,700.00	-	11,700.00	-	-	14,850.00	-	14,850.00
<b>Total current financial assets</b>	-	-	<b>82,450.64</b>	-	<b>82,450.64</b>	-	-	<b>57,638.47</b>	-	<b>57,638.47</b>
<b>Total financial assets</b>			<b>2,41,647.71</b>		<b>2,41,647.71</b>			<b>2,32,847.54</b>		<b>2,32,847.54</b>
<b>Financial liabilities</b>										
<b>Non-current financial liabilities</b>										
Borrowings	2,663.51	6,856.81	1,70,255.63	-	1,79,775.94	7,949.34	17,731.83	1,67,480.40	-	1,86,161.57
<b>Total non-current financial</b>	<b>2,663.51</b>	<b>6,856.81</b>	<b>1,70,255.63</b>	-	<b>1,79,775.94</b>	<b>7,949.34</b>	<b>17,731.83</b>	<b>1,67,480.40</b>	-	<b>1,86,161.57</b>
<b>Current financial liabilities</b>										
Trade payables	-	-	3,106.72	-	3,106.72	-	-	1,186.62	-	1,186.62
Other financial liabilities	5,329.54	8,107.82	15,700.24	-	29,137.60	5,301.73	6,982.89	14,710.78	-	27,111.11
<b>Total current financial liabilities</b>	<b>5,329.54</b>	<b>8,107.82</b>	<b>18,806.96</b>	-	<b>32,244.32</b>	<b>5,301.73</b>	<b>6,982.89</b>	<b>17,400.40</b>	-	<b>29,901.03</b>
<b>Total financial liabilities</b>	<b>7,993.05</b>	<b>14,964.63</b>	<b>1,89,062.59</b>	-	<b>2,12,020.27</b>	<b>13,251.07</b>	<b>19,724.73</b>	<b>2,04,886.80</b>	-	<b>2,37,562.60</b>
<b>Excess of financial liabilities over financial assets</b>	<b>7,993.05</b>	<b>14,964.63</b>	<b>(52,585.13)</b>	-	<b>(29,627.45)</b>	<b>13,251.07</b>	<b>19,724.73</b>	<b>(28,061.64)</b>	-	<b>4,914.15</b>
<b>Hedge for foreign currency risk</b>										
Net exposure of foreign currency	7,993.05	14,964.63	(52,585.13)	-	(29,627.45)	13,251.07	19,724.73	(28,061.64)	-	4,914.15
<b>Sensitivity impact on Net liabilities/(assets) exposure at 10%</b>	<b>799.31</b>	<b>1,496.46</b>	<b>NA</b>	-	<b>2,295.77</b>	<b>1,325.11</b>	<b>1,972.47</b>	<b>NA</b>	-	<b>3,297.58</b>

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 excludes 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 issuer or the borrower. A negative number below indicates an increase in profit/equity where the INR strengthens 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a corresponding impact on the profit/equity and the balances below would be positive.



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:

Particulars	₹ in Lakhs	
	As at March 31, 2018	As at March 31, 2017
Fixed rate borrowings	7,980.65	13,234.49
Floating rate borrowings	2,00,557.57	2,19,493.54
<b>Total</b>	<b>2,08,538.22</b>	<b>2,32,728.03</b>

44.6.1 **Interest rate sensitivity analysis**

The sensitivity analyses 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.

Loan Currency	₹ in Lakhs						
	As at March 31, 2018						
	Gross amount	Hedged by interest rate swaps	Loans exposed to interest rate risk	Loans eligible for Borrowing cost	Impact on Income Statement	Interest rate risk	Sensitivity @ 0.50%
<b>Fixed Loan</b>							
USD-INR	7,980.65	7,980.65	-	-	-	-	-
INR	-	-	-	-	-	-	-
<b>Variable Loan</b>							
EURO-INR	14,830.05	-	14,830.05	-	14,830.05	74.15	74.15
INR	1,85,727.52	-	1,85,727.52	-	1,85,727.52	928.64	928.64
<b>Total</b>	<b>2,08,538.22</b>	<b>7,980.65</b>	<b>2,00,557.57</b>	<b>-</b>	<b>2,00,557.57</b>	<b>1,002.79</b>	<b>1,002.79</b>

Loan Currency	₹ in Lakhs						
	As at March 31, 2017						
	Gross amount	Hedged by interest rate swaps	Loans exposed to interest rate risk	Loans eligible for Borrowing cost	Impact on Income Statement	Interest rate risk	Sensitivity @ 0.50%
<b>Fixed Loan</b>							
USD-INR	13,234.49	13,234.49	-	-	-	-	-
INR	-	-	-	-	-	-	-
<b>Variable Loan</b>							
EURO-INR	19,548.15	-	19,548.15	-	19,548.15	97.74	97.74
INR	1,99,945.38	-	1,99,945.38	-	1,99,945.38	999.73	999.73
<b>Total</b>	<b>2,32,728.03</b>	<b>13,234.49</b>	<b>2,19,493.54</b>	<b>-</b>	<b>2,19,493.54</b>	<b>1,097.47</b>	<b>1,097.47</b>



**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 only one 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.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

**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 44.9 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.

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, 2018				As at March 31, 2017			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
<b>Financial assets</b>								
<b>Non-current</b>								
Investments	-	8.86	19,780.34	19,789.01	-	3.49	17,141.4E	17,144.11
Loans	-	132.94	-	132.94	-	6.00	114.9E	114.9E
Finance lease receivables	-	1,37,918.72	-	1,37,918.72	-	1,56,612.82	-	1,56,612.82
Other financial assets	-	1,356.41	-	1,356.41	-	1,330.0E	-	1,330.0E
<b>Total non-current financial assets</b>	-	<b>1,39,416.73</b>	<b>19,780.34</b>	<b>1,59,197.07</b>	-	<b>1,57,946.30</b>	<b>17,363.67</b>	<b>1,75,309.97</b>
Investments	27,156.91	-	-	27,156.91	20,700.00	-	-	20,700.00
Trade receivables	18,561.51	-	-	18,561.51	550.8E	-	-	550.8E
Cash and cash equivalents	2,673.83	-	-	2,673.83	1,718.54	-	-	1,718.54
Finance lease receivables	21,856.85	-	-	21,856.85	19,221.19	-	-	19,221.19
Other financial assets	501.54	-	-	501.54	597.79	-	-	597.79
Loans	11,700.00	-	-	11,700.00	14,850.00	-	-	14,850.00
<b>Total current financial assets</b>	<b>82,450.64</b>	-	-	<b>82,450.64</b>	<b>57,638.47</b>	-	-	<b>57,638.47</b>
<b>Total financial assets</b>	<b>82,450.64</b>	<b>1,39,416.73</b>	<b>19,780.34</b>	<b>2,41,647.71</b>	<b>57,638.47</b>	<b>1,57,946.30</b>	<b>17,363.67</b>	<b>2,32,948.44</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Borrowings	-	1,79,775.94	-	1,79,775.94	-	2,08,161.5E	-	2,08,161.5E
<b>Total non-current financial liabilities</b>	-	<b>1,79,775.94</b>	-	<b>1,79,775.94</b>	-	<b>2,08,161.5E</b>	-	<b>2,08,161.5E</b>
<b>Current</b>								
Acceptances	-	-	-	-	-	-	-	-
Trade payables	3,106.72	-	-	3,106.72	3,186.62	-	-	3,186.62
Other financial liabilities	29,137.60	-	-	29,137.60	26,514.40	-	-	26,514.40
<b>Total current financial liabilities</b>	<b>32,244.32</b>	-	-	<b>32,244.32</b>	<b>29,701.02</b>	-	-	<b>29,701.02</b>
<b>Total financial liabilities</b>	<b>32,244.32</b>	<b>1,79,775.94</b>	-	<b>2,12,020.26</b>	<b>29,701.02</b>	<b>2,08,161.5E</b>	-	<b>2,37,862.60</b>



		₹ in Lakhs	
		As at March 31, 2018	As at March 31, 2017
<b>44.8.1</b>	<b>Financing facilities</b>		
	<b>Unsecured bank loan with various maturities</b>		
	a. amount used	-	-
	b. amount unused	-	-
	<b>(li) Terms loans from banks</b>		
	a. amount used	1,13,823.28	1,46,418.71
	b. amount unused	7,620.00	19,000.00
	<b>Total</b>	<b>1,30,823.28</b>	<b>1,61,418.71</b>

**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	Fair values as at March 31, 2018	Fair values as at March 31, 2017	Level*	Valuation technique and key inputs
<b>Financial assets</b>				
<b>Non-current investments</b>				
<b>Investment in unquoted equity instruments</b>				
JSW Techno Projects Management Limited	4.13	0.01	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.
<b>Investment in preference shares</b>				
JSW Techno Projects Management Limited	19,780.34	17,243.69	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.
<b>Investment in quoted equity instruments</b>				
JSW Steel Limited	2.88	1.88	1	Quoted bid prices in an active market
JSW Holdings Limited	1.65	1.53	1	
<b>Other investments (current)</b>				
<b>Investment in quoted mutual funds</b>				
HDFC Liquid fund - dividend - daily reinvest	2,610.01	-	1	Quoted bid prices in an active market
Reliance liquid fund - treasury plan - daily dividend option	2,642.69	-	1	Quoted bid prices in an active market
ICICI liquid fund - daily dividend reinvest	1,204.21	-	1	Quoted bid prices

\*There were no transfers between Level 1 and Level 2 during the year.

**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 ₹ 131.23 Lakhs



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	JSW Investments Private Limited (upto January 20, 2017) Unity Advisory Services Private Limited (from January 21, 2017 upto March 30, 2017) Sajan Jindal & Sangita Jindal, as trustee of Sajan Jindal Family Trust (from March 31, 2017)
2	Ultimate Holding Company	Pracip Advisory Services Private Limited (from January 21, 2017 upto March 30, 2017)
3	Sole Proprietor	JSW Organics Private Limited (upto March 5, 2017)
4	Fellow Subsidiary	JSW Cement Limited (upto January 20, 2017) JSW Steel Private Limited (upto January 20, 2017)
5	Key management personnel	Mr. Shankar Prasad Singh (Whole time director) (upto December 22, 2017) Mr. Bhupendra Prasad (Chief Financial Officer) Mr. Ranak Gupta (Company Secretary) Mr. Nagesh Kumar Paloduge (Whole time director) (from December 22, 2017 onwards) Dr. Rishi Jain Mr. Ashok Jain Mr. Vinod Agrawal
6	Others	JSW Steel Limited JSW Techno Projects Management Limited JSW Solutions Limited Realcom Realty Private Limited Jindal Saw Limited JSW Steel Coated Products Limited JSW Logistics Infrastructure Private Limited JSW Global Business Solution Limited JSW Paints Private Limited JSW Holdings Limited Sanyog Holdings Private Limited Indusglobe Multiventures Private Limited JSW Industrial Gases Private Limited Suz Investment Private Limited JSW Realty & Infrastructure Private Limited Hissar Steel Limited JSW Energy Limited Vishwa Consultancy Private Limited Vishva Private Private Limited Epsilon Carbon Private Limited Vishwa Properties Private Limited JSW Foundation



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

₹ in Lakhs

Sr. No.	Particulars	Nature of Relationship											
		Holding Company/Trust		Subsidiary Company		Fellow Subsidiary		Key management personnel		Others		Total	
		For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
1	Sale of goods/services/finance lease JSW Steel Limited Easton Carbon Private Limited JSW Pipes Private Limited	-	-	-	-	-	-	-	-	61,109.29	61,755.81	61,109.29	61,755.81
2	Dividend Income JSW Steel Limited	-	-	-	-	-	-	-	-	274.97	563.59	274.97	563.59
3	Scrap Sale JSW Steel Limited	-	-	-	-	-	-	-	-	0.02	0.01	0.02	0.01
4	Purchase of Material JSW Steel Limited South West Plains Limited Jindal Saw Limited JSW Steel Coated Products Limited	-	-	-	-	-	1.83	-	-	2,674.29	2,376.99	2,674.29	2,376.99
5	Purchase of capital goods JSW Steel Limited	-	-	-	-	-	-	-	-	3.11	9.67	3.11	9.67
6	Interest Income Hissari Steel Private Limited JSW Techno Projects Management Limited Rajasthan Sekita Private Limited	-	-	-	-	-	-	-	-	1,847.26	1,693.00	1,847.26	1,693.00
7	Lease rent paid Vishwa Properties Private Limited JSW Steel Limited	-	-	-	-	-	-	-	-	417.34	418.00	417.34	418.00
8	Interest paid JSW Steel Processing Centre Limited Sun Investment Private Limited JSW Industrial Gases Private Limited Sahyod Holdings Private Limited	-	-	-	-	-	-	-	-	79.80	46.00	79.80	46.00
9	Operation and Maintenance services JSW Techno Projects Management Limited	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00
10	Reimbursement of expenses incurred on our behalf JSW Steel Limited JSW Energy Limited JSW Realty & Infrastructure Private Limited JSW Global Business Solution Limited	-	-	-	-	-	-	-	-	36.71	-	36.71	-
11	Managerial remuneration Mr. Shankar Prasad Singh Mr. Bhushan Prasad Mr. Ranak Gupta Mr. Anand Kumar Patilgady	-	-	-	-	-	-	-	-	3.00	-	3.00	-
12	Director's remuneration Dr. Sakshi Jain	-	-	-	-	-	-	-	-	114.28	-	114.28	-
13	Provision for doubtful debts JSW Investments Private Limited JSW Holdings Limited JSW Techno Projects Management Limited Induslobe Infrastructure Private Limited Sahyod Holdings Private Limited Health Finvest Private Limited	-	30.84	-	-	-	-	-	-	23.18	0.01	23.19	0.01
14	Loans taken from JSW Steel Processing Centre Limited JSW Industrial Gases Private Limited Sahyod Holdings Private Limited	-	-	-	-	-	-	-	-	172.45	83.20	172.45	83.20
15	Loans given to Hissari Steel Private Limited	-	-	-	-	-	-	-	-	83.70	89.81	83.70	89.81
16	Repayment of Loan Sahyod Holdings Private Limited Sun Investment Private Limited	-	-	-	-	-	-	-	-	9.84	6.24	9.84	6.24
17	Subscription made in equity share capital JSW Organics Private Limited	-	-	-	0.30	-	-	-	-	19.20	-	19.20	-
18	Subscription made to preference share capital JSW Techno Projects Management Limited	-	-	-	-	-	-	-	-	0.30	0.51	0.30	0.51
19	Sale of equity shares of JSW Organics Private Limited Vishwa Consultancy Private Limited	-	1.20	-	-	-	-	-	-	-	-	1.20	-
20	Reimbursement of CSR Expenses JSW Foundation	-	-	-	-	-	-	-	-	0.30	0.51	0.30	0.51



Compensation to Key Management Personnel

Nature of Transaction	₹ in Lakhs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Short-term employee benefits	285.34	174.99
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
<b>Total compensation to key management personnel</b>	<b>285.34</b>	<b>174.99</b>

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:

The sales to related parties are in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended March 31, 2018, the Company has not recorded any bad debits or 31-90% recoverable from related parties.

Purchases:

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

45.b.2. Balance as at March 31, 2018

Sl. No.	Particulars	Nature of Relationship												Total	
		Holding Company/Trust		Subsidiary Company		Fellow Subsidiary		Key management personnel		Others		As at March 31, 2018	As at March 31, 2017		
		As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017		
1	Trade Payables														
	JSW Steel Limited	-	-	-	-	-	-	-	-	408.82	508.96	408.82	508.96		
	JSW Metals Limited	-	-	-	-	-	-	-	-	1.53	1.88	1.53	1.88		
	JSW Investments Private Limited	-	-	-	-	-	-	-	-	2.40	1.81	2.40	1.81		
	JSW Techno Projects Management Limited	-	-	-	-	-	-	-	-	289.31	206.21	289.31	206.21		
2	Creditors for revenue expenditure														
	Andal Saw Limited	-	-	-	-	-	-	-	-	5.07	10.01	5.07	10.01		
	South West Steels Limited	-	-	-	-	0.24	0.24	-	-	-	-	0.24	0.24		
3	Security deposit for lease hold land														
	JSW Steel Limited	-	-	-	-	-	-	-	-	100.00	100.00	100.00	100.00		
4	Trade Receivable														
	Essilor Carbon Private Limited	-	-	-	-	-	-	-	-	219.71	219.00	219.71	219.00		
	JSW Steel Limited	-	-	-	-	-	-	-	-	16,217.07	201.01	16,217.07	201.01		
5	Revenue advance given														
	JSW Steel Coated Products Limited	-	-	-	-	-	-	-	-	1.40	1.40	1.40	1.40		
6	Investments in 9% Non-Convertible debentures														
	JSW Techno Projects Management Limited	-	-	-	-	-	-	-	-	20,700.00	20,700.00	20,700.00	20,700.00		
7	Loans given														
	Realcom Realty Private Limited	-	-	-	-	-	-	-	-	1,810.00	1,810.00	1,810.00	1,810.00		
8	Loans taken														
	Sun Investment Private Limited	-	-	-	-	-	-	-	-	-	0.75	-	0.75		
	Sabvas Holdings Private Limited	-	-	-	-	-	-	-	-	-	1,774.00	-	1,774.00		
9	Interest payable														
	Sabvas Holdings Private Limited	-	-	-	-	-	-	-	-	-	8.13	-	8.13		
10	Pledge fees payable														
	JSW Investments Private Limited	-	-	-	-	-	-	-	-	109.19	17.40	109.19	17.40		
	JSW Metals Limited	-	-	-	-	-	-	-	-	141.38	17.38	141.38	17.38		
	JSW Techno Projects Management Limited	-	-	-	-	-	-	-	-	26.47	1.90	26.47	1.90		
	Sabvas Holdings Private Limited	-	-	-	-	-	-	-	-	83.75	4.20	83.75	4.20		
	Vergha Forest Private Limited	-	-	-	-	-	-	-	-	42.98	6.78	42.98	6.78		
11	Payable towards purchase of shares														
	Sgt. Sapota Trade	-	-	-	-	-	-	-	-	-	9.08	-	9.08		
12	Receivable towards provision of services														
	JSW Global Business Solutions Limited	-	-	-	-	-	-	-	-	-	26.25	-	26.25		
13	Advances received against BOOT agreement														
	JSW Steel Limited	-	-	-	-	-	-	-	-	6,937.72	6,937.72	6,937.72	6,937.72		
14	Interest receivable on loan and debentures														
	JSW Techno Project Management Limited	-	-	-	-	-	-	-	-	81.77	62.79	81.77	62.79		
	Realcom Realty Private Limited	-	-	-	-	-	-	-	-	876.24	876.20	876.24	876.20		
15	Financial lease receivables														
	JSW Steel Limited	-	-	-	-	-	-	-	-	1,98,775.57	1,78,825.11	1,98,775.57	1,78,825.11		
16	Investment in preference shares at cost														
	JSW Techno Projects Management Limited	-	-	-	-	-	-	-	-	21,150.00	21,150.00	21,150.00	21,150.00		
17	CSR Related Liability														
	JSW Foundation	-	-	-	-	-	-	-	-	-	70.81	-	70.81		
18	Other Receivable														
	JSW Realty and Infrastructure Private Limited	-	-	-	-	-	-	-	-	1.11	4.11	1.11	4.11		
	JSW Energy Limited	-	-	-	-	-	-	-	-	2.28	(2.28)	-	-		



**JSW Projects Limited**

Notes to the financial statements for the year ended March 31, 2018

**46. Earnings per equity share:**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Per Share	Per Share
<b>Basic / Diluted earnings per share</b>		
From continuing operations	1,893.73	3.09
<b>Total basic/diluted earnings per share in (₹)</b>	<b>1,893.73</b>	<b>3.09</b>

**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, 2018	For the year ended March 31, 2017
Profit for the year attributable to owners of the Company (₹ in Lakhs)	18,937.33	14,726.03
<b>Earnings used in the calculation of basic earnings per share from continuing operations (₹ in Lakhs)</b>	<b>18,937.33</b>	<b>14,726.03</b>
Weighted average number of equity shares for the purposes of basic/diluted earnings per share (No.)	10,00,000	47,59,95,068
<b>Earnings per share from continuing operations - Basic and Diluted (₹)</b>	<b>1,893.73</b>	<b>3.09</b>

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

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

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Leasehold land and guest house	76.85	48.05
<b>Total</b>	<b>76.85</b>	<b>48.05</b>

Future minimum lease rentals payable under non-cancellable operating leases are as follows:-

₹ in Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Within one year	84.53	76.85
After one year but not more than five years	230.47	315.00
More than five years	-	-
<b>Total</b>	<b>315.01</b>	<b>391.85</b>

**48. Commitments**
₹ in Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>





## JSW Projects Limited

Notes to the financial statements for the year ended March 31, 2018

### 49. Derivatives

49.a The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables. The use of foreign currency forward contracts is governed by the Group's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the group's risk management policy.

The forward exchange contracts entered into by the Company and outstanding are as under:-

Particulars	No. of contracts	Type	US \$	INR
			equivalent (million)	equivalent (Lakhs)
As at March 31, 2018	-	Buy	-	-
	-	Sell	-	-
As at March 31, 2017	-	Buy	-	-
	-	Sell	-	-

49.b Amount payable in foreign currency on account of the following:

Particulars	As at March 31, 2018			As at March 31, 2017		
	US \$ equivalent	EURO equivalent	₹ in Lakhs	US \$ equivalent	EURO equivalent	₹ in Lakhs
Borrowings	1,23,00,000	1,84,60,000	22,883.28	2,05,00,000	2,84,00,000	32,958.23
Interest accrued but not due on borrowings	19,066	1,66,927	146.98	25,566	2,54,990	193.15



50. Income taxes relating to continuing operations  
50.a Income taxes recognised in statement of profit or loss

Particulars	₹ in Lakhs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Current tax</b>		
In respect of the current year	-	-
In respect of prior years	-	-
<b>Total</b>	-	-

50.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:

Particulars	₹ in Lakhs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Profit/loss before tax</b>	27,255.07	23,566.39
Enacted tax rate in India	34.944%	34.608%
<b>Expected income tax expense/ (benefit) at statutory tax rate</b>	<b>9,524.01</b>	<b>8,155.86</b>
Impact on account of IND AS adjustment	1,160.88	645.33
Provision for expense allowed for tax purpose on payment basis	74.60	0.77
Expenses not deductible in determining taxable profits	322.93	82.78
Income exempt from taxation	(27.64)	(7.08)
Carried forward business loss	57.63	(37.27)
Section 35DD (as per IT Act)	7.47	-
Minimum alternate tax	-	-
Tax impact for reduction in expected tax holiday period	(2,802.13)	-
	<b>(1,206.26)</b>	<b>684.53</b>
<b>Tax expense for the year</b>	<b>8,317.75</b>	<b>8,840.38</b>

Deferred tax expense recognised in statement of profit and loss in respect of the current year

Deferred tax balance in relation to	₹ in Lakhs					
	As at March 31, 2018	Recognised/reversed through profit/loss	Recognised/reclassified from OCI	As at March 31, 2017	Recognised/reversed through profit/loss	Recognised/reclassified from OCI
Property, plant and equipment	22,297.13	(3,130.62)	-	25,427.75	(4,322.42)	-
Finance lease obligation	16,249.22	3,215.72	-	13,033.51	5,496.23	-
Carry forward of business loss/ unabsorbed depreciation	-	7,839.28	-	(7,839.28)	9,659.26	-
Provision for employee benefits	55.02	74.60	1.43	(19.57)	(7.80)	1.64
Fair value of investment in preference shares	(4,671.89)	417.66	-	(5,089.56)	(1,950.64)	-
Fair value of Investments in Equity Shares	-	-	(0.47)	-	-	-
Others	49.05	(98.90)	-	147.95	(34.24)	-
<b>Total</b>	<b>33,978.54</b>	<b>8,317.75</b>	<b>0.96</b>	<b>25,660.80</b>	<b>8,840.38</b>	<b>1.64</b>

Movement in MAT credit entitlement

Particulars	₹ In Lakhs	
	As at March 31, 2018	As at March 31, 2017
<b>Balance at the beginning of the year</b>	-	-
Add: MAT credit entitlement availed during the year	6,316.35	5,587.47
(Less)/Add: (Restoration)/reversal of MAT credit entitlement	(6,316.35)	(5,587.47)
Less: MAT Credit pertaining to earlier years	-	-
<b>Balance at the end of the year</b>	-	-

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.



## JSW Projects Limited

Notes to the financial statements for the year ended March 31, 2018

### 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, 2018 to micro, small and medium enterprises is on account of principal amount together with interest.

₹ In Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Principal amount due outstanding as at end of year	112.61	110.43
Interest due on above and unpaid as at end of year	-	0.64
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	-	0.64
Amount of further interest remaining due and payable in succeeding year	-	0.64

### 52. Remuneration to the auditors:

₹ In Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Statutory audit fees	8.50	7.75
Tax audit fees	1.50	1.25
Other services	3.00	1.75
Out of pocket expenses	0.64	0.47
<b>Total</b>	<b>13.64</b>	<b>11.22</b>

### 53. Corporate Social Responsibility expenditure

The Company has incurred an amount of ₹ 311.49 lakhs (previous year: ₹ 228.14 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, 2018		For the year ended March 31, 2017	
	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	309.54	-	223.79	-
Amount spend on purposes other than construction/acquisition of assets	311.49	-	228.14	-

### 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, 2018	For the year ended March 31, 2017
Capital goods	-	-
Stores and spares	676.57	1,116.27
<b>Total</b>	<b>676.57</b>	<b>1,116.27</b>



**JSW Projects Limited**

Notes to the financial statements for the year ended March 31, 2018

(ii) Expenditure in foreign currency:

Particulars	₹ In Lakhs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest charges	1,169.46	1,655.20
<b>Total</b>	<b>1,169.46</b>	<b>1,655.20</b>

55. Value of consumption of directly imported and indigenously obtained stores and spares (revenue)

Particulars	₹ In Lakhs			
	For the year ended March 31, 2018		For the year ended March 31, 2017	
	₹ In Lakhs	%	₹ In Lakhs	%
Imported	409.54	17.60%	258.82	9.70%
Indigenous	1,917.87	82.40%	2,408.75	90.30%
<b>Total</b>	<b>2,327.43</b>	<b>100%</b>	<b>2,667.55</b>	<b>100%</b>

56. 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**  
Director  
DIN: 08010964



**Ronak Gupta**  
Company Secretary  
M. No. A35122



**Bhushan Prasad**  
Chief Financial Officer

Place: Mumbai  
Date: 22.05.2018

