Creixent Special Steels Limited
Regd. Office :QR No. 50-51, Park Avenue Colony,
Jindal Road, Dhimrapur, Raigarh 496001
CIN : U27209CT2018PLC008397
Phone : 07762291022
Email : snigdha.tripathi@aionjsw.in
Website: www.jsw.in

November 24, 2021

Ref: CSSL/CS/2021-22/MH/ NOV

To,
BSE LIMITED
Corporate Relationship Department
Phiroze Jeejeebhoy Towers, Dalai Street,
Mumbai - 400 001.
Scrip Code No.958220

Kind Attn: The General Manager (CRD)

Sub: Annual Report

Dear Sir/Madam,

This is with reference to Regulation 53 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the captioned subject, please find enclosed the Annual Report of the Company for the FY 2020-21 along with the Notice of 3rd Annual General Meeting the Company.

We request you to kindly take the information on your record.

Thanking you,

Yours faithfully,
For Creixent Special Steels Limited

Snigdha Tripathi
Digitally signed by Snigdha Tripathi
Date: 2021.11.24 17:51:42 +05'30'

Snigdha Tripathi
Company Secretary and Compliance Officer
Membership No. A47758

Encl: as above

CC: Catalyst Trusteeship Limited

3RD ANNUAL REPORT

(FOR F.Y. 2020-21)

OF

CREIXENT SPECIAL STEELS LIMITED

CREIXENT SPECIAL STEELS LIMITED

Regd. Office: QR No. 50-51, Park Avenue Colony, Jindal Road, Dhimrapur, Raigarh 496001
CIN: U27209CT2018PLC008397
Phone: 07762 291022; **Email:** snigdha.tripathi@aionjsw.in **Website:** www.jsw.in

NOTICE is hereby given that the 3rd Annual General Meeting of the members of **CREIXENT SPECIAL STEELS LIMITED** ("the Company") will be held on Thursday, November 25, 2021 at 4:00 PM (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), at shorter notice to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt:
   a. The audited standalone financial statement of the Company for the financial year ended 31stMarch, 2021 together with the reports of the Board of Directors' and Auditor's thereon.

   b. The audited consolidated financial statement of the Company for the financial year ended 31st March, 2021 together with the reports of the Auditor's thereon.

2. To consider appointment of a Director in place of Mr. Seshagiri Rao M.V.S. (DIN: 00029136), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. **To appoint Mr. Kaushik Subramaniam (DIN: 08190548), as a Director of the Company.**

   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 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Kaushik Subramaniam (DIN: 08190548), who was appointed as an Additional Director on the Board of the Company with effect from 19th January, 2021 and who holds office till the date of ensuing Annual General Meeting in terms of Section 161 of the Act, being eligible for appointment as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose the candidature of Mr. Kaushik Subramaniam for the office of the Director, be and is hereby appointed as Director of the Company, liable to retire by rotation.

   RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all acts or things necessary to give effect to the above resolution."

By order of the Board of Directors
For CREIXENT SPECIAL STEELS LIMITED

Snigdha Tripathi
Company Secretary
Membership No. A47758

Creixent Special Steels Limited

Date: November 24, 2021
Place: Mumbai
Registered Office:
QR No. 50-51, Park Avenue Colony,
Jindal Road, Dhimrapur, Raigarh-496001

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts in respect of the special business items which are considered to be unavoidable by the Board of Directors of the Company as set out under item no. 3 of the accompanying notice is annexed hereto.

2. Since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporate are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes at AGM.

3. Corporate members intending to attend/vote at AGM through VC / OAVM by their respective authorized representative(s) pursuant to section 113 of the Companies Act, 2013 are requested to send their authorisations/ resolutions/ power of attorney to email Id snigdha.tripathi@aionjsw.in authorizing their representatives to attend and vote on their behalf at the Annual General Meeting of the Company.

4. Consent for Shorter Notice: As the Annual General Meeting of the Company has been called on a shorter notice, Members of the Company are requested to give their consent in the prescribed format enclosed with the Notice.

5. The relevant details, pursuant to Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM is annexed as Annexure -1.

6. In view of the outbreak of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5 May 2020, 8 April 2020, 13 April 2020 and 13 January, 2021 (collectively referred to as "MCA Circulars"), the 3rd AGM of the Company is being conducted through VC/OAVM facility without the physical presence of the Members at a common venue.

7. In accordance with the Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with guidance/clarification dated April, 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

8. In compliance with the aforesaid MCA and SEBI circulars, notice of the AGM along with the Annual Report for the financial year 2020-2021 is being sent only through electronic mode to members whose email addresses are registered with the Company. Members may note that Notice and the Annual Report for the financial year 2020-2021 will also be available on Company's website.

9. Attendance of the members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act. The link to attend the AGM with instructions will be shared separately via email before the meeting.

10. If poll is demanded on the business to be transacted at the meeting, the members can convey their vote to snigdha.tripathi@aionjsw.in which is the designated address for the purpose. In such circumstance, the members shall cast their vote only through their email address registered with the Company and such email shall only be sent to the designated email address of the Company mentioned hereinbefore.

11. The Chairman may decide to conduct a vote by show of hands, unless a demand for poll is made by any member in accordance with section 109 of the Act. Once such demand is made, the procedure outlined in point (v) shall be followed.

12. Facility of joining the AGM through VC shall be kept open 15 minutes before the time scheduled for the AGM and will be available for members on first come first serve basis and shall not be closed till the expiry of 15 minutes after such scheduled time.

13. General guidelines for shareholders:

    a) Members are encouraged to join the meeting through laptops for better experience.

    b) Further Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.

    c) Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

    d) Members desiring any information/ clarification on the accounts or any matter to be placed at the AGM are requested to write by email mentioning name, demat account number/folio number, email id, mobile number to the email id snigdha.tripathi@aionjsw.in at least three days in advance to enable the management to keep information ready at the AGM.

14. The documents referred in the accompanying Notice and the Explanatory Statement shall be open for inspection by the members of the Company till the conclusion of AGM and members may send email request to snigdha.tripathi@aionjsw.in, if they wish to inspect the same. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 ("the Act") and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act will be available electronically for inspection by the members during the time of AGM.

15. Since the AGM will be held through VC / OAVM, the route map is not annexed in this Notice.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("the Act")

The following statement set out all material facts relating to item nos. 3 mentioned in the accompanying Notice.

ITEM NO 3:

Pursuant to the recommendation of Nomination & Remuneration Committee, Mr. Kaushik Subramaniam (DIN: 08190548) was appointed as an Additional Director of the Company by the Board of Directors with effect from 20th January, 2021 who holds office up to the ensuing 31st Annual General Meeting of the Company.

The Company has received Notice in writing under provisions of Section 160 of the Act, from a Member proposing the candidature of Mr. Kaushik Subramaniam for the office of Director, to be appointed under the provisions of the Act. Further, Mr. Kaushik Subramaniam, is not disqualified from being appointed as a Director by virtue of the provisions of Section 164 of the Act.

The details of Mr. Kaushik Subramaniam containing brief profile, nature of expertise, etc. as required under Secretarial Standard -2 is annexed to the Notice as Annexure 1.

Mr. Kaushik Subramaniam is concerned or interested in the resolution set out in Item No. 3 of the Notice, which pertains to the appointment. Relatives of Mr. Kaushik Subramaniam, may be deemed to be concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth at item no. 3 of the Notice for the approval of the members as an ordinary resolution.

By order of the Board of Directors
For CREIXENT SPECIAL STEELS LIMITED

Snigdha Tripathi

Company Secretary
Membership No. A47758

Date: November 24, 2021
Place: Mumbai

Registered Office:
QR No. 50-51, Park Avenue Colony,
Jindal Road, Dhimrapur, Raigarh-496001

Annexure-I

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT IN 3rd ANNUAL GENERAL MEETING

(Pursuant to Secretarial Standarad-2 issued by the Institute of Company Secretaries of India)

Name of Director	Mr. Seshagiri Rao MVS	Mr. Kaushik Subramaniam
Date of Birth	15th January, 1958	15th July 1985
Date of first appointment on Board	11th October,2018	19th January, 2021
Brief Profile/Experience/ Expertise in specific functional area	Mr. Seshagiri Rao M.V.S., is the Joint Managing Director & Group CFO, JSW Steel Limited, responsible for the overall operations of JSW Steel including Strategy formulations related to business development, expansion of existing businesses, joint ventures, mergers and acquisitions and Cost management. He possesses rich experience spanning over three decades in Steel Sector and in the areas of Corporate Finance and Banking.	Mr. Kaushik Subramaniam is a Principal in AIP Investment Advisors Pvt. Ltd. (previously known as AION India Investment Advisors Pvt. Ltd.) with over 10 years of experience in private equity. Prior to joining AION full time in Jan 2018, Kaushik was part of Apollo Global's India private equity team. He joined Apollo in 2010 and has been involved in Apollo's private equity business across its offices in Mumbai, London, and Hong Kong. He was closely involved in the raising of AION Fund I and in its investment process. Prior to Apollo, Mr. Kaushik Subramaniam has experience of working in investment consulting since 2007.
Qualifications	He is a member of the Institute of Cost and Works Accountants of India and a licentiate member of the Institute of Company Secretaries of India. He is also a Certified Associate of the Indian Institute of Bankers and a diploma holder in Business Finance awarded by the Institute of Chartered Financial Analysts of India.	Financial Risk Manager (GARP), Bachelors in Science
Terms and conditions of appointment/ re-appointment	Tenure as a Director is subject to retirement by rotation in terms of Section 152 of the Companies Act 2013.	Tenure as a Director is subject to retirement by rotation in terms of Section 152 of the Companies Act 2013.
Remuneration last drawn by such person, if applicable	N.A.	N.A.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not inter se related to any other Director or Key Managerial Personnel. The Company do not have a Manager.	Not inter se related to any other Director or Key Managerial Personnel. The Company do not have a Manager.
Number of Meetings of the Board attended during the year	4 of 4	1 of 1
Directorship held in other companies	1. JSW Steel Limited 2. JSW Ispat Special Products Limited (Formerly known as Monnet Ispat and Energy Limited)	1. JSW Ispat Special Products Limited (Formerly known as Monnet Ispat and Energy Limited) 2. Monnet Cement Limited 3. JTPM Atsali Limited

		4. IGT Solutions Private Limited 5. Bluerock Eservices Private Limited 6. Ritvika Trading Private Limited
Membership/ Chairmanship of committees of other companies*	**Member of Audit Committee**: JSW Steel Limited	Nil
Shareholding in the Company	NIL	Nil

*Only two Committees namely, Audit Committee and Stakeholders Relationship Committee have been taken into consideration. Companies includes listed as well as unlisted entities.

To,
The Board of Directors,
Creixent Special Steels Limited
QR No. 50-51, Park Avenue Colony,
Jindal Road, Dhimrapur,
Raigarh 496001

Consent to hold 3rd Annual General Meeting at Shorter Notice

Pursuant to section 101(1) and other applicable provisions of the Companies Act, 2013, I/we ___________holding _____________ equity shares of Rs. 10/- each in Creixent Special Steels Limited (the Company), hereby give consent to hold the 3rd Annual General Meeting of the Company on Thursday, November 25, 2021 at 4:00 PM (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") at a shorter notice or any adjournment thereof.

Signature:

Name: ____________________________________

Date: ____________

DIRECTOR'S REPORT

CREIXENT SPECIAL STEELS LIMITED

To the members,

Your Directors have pleasure in presenting the third Annual Report and audited financial statements of your Company for the financial year ended 31st March 2021.

1. FINANCIAL SUMMARY

The financial summary of the Company, for the financial year under review are as follows;

(amount in Rs. thousand)

Sl No.		Particulars	Audited Standalone		Audited Consolidated	
			Year Ended 31.03.2021	Year Ended 31.03.2020	Year Ended 31.03.2021	Year Ended 31.03.2020
I	**Income**					
	(a)	Revenue from Operations	145,936	12,826	41,877,500	26,394,400
	(b)	Other Income	-	-	157,300	262,800
	Total income		**145,936**	**12,826**	**42,034,800**	**26,657,200**
II	**Expenses**					
	(a)	Cost of Materials consumed	-	-	29,655,700	19,778,400
	(b)	Purchase of stock in trade	145,753	12,794	-	12,800
	(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	44,100	(344,800)
	(d)	Employee benefits expense	-	-	1,155,800	1,170,000
	(e)	Finance Costs	871,055	658,411	3,629,500	3,191,800
	(f)	Depreciation and amortization expense	-	-	2,258,000	2,132,700
	(g)	Other expenses	6,364	13,177	7,160,800	6,252,300
	Total Expenses		**1,023,172**	**684,382**	**43,903,900**	**32,193,200**
III	**Loss before tax and exceptional items (I-II)**		**(877,236)**	**(671,556)**	**(1,869,100)**	**(5,536,000)**
IV	Exceptional Items				3,145,300	-
V	**(Loss)/ Profit before tax (III-IV)**		**(877,236)**	**(671,556)**	**1,276,200**	**(5536000)**
VI	**Tax expense:**					
	(i)	Current tax	-	-	-	-

Sl No.	Particulars		Audited Standalone		Audited Consolidated	
			Year Ended	Year Ended	Year Ended	Year Ended
			31.03.2021	31.03.2020	31.03.2021	31.03.2020
		Adjustment of tax relating to earlier periods	-	-	-	-
	(ii)	Deferred tax	(78,608)	(46,222)	(88,400)	(46,200)
		MAT Credit Entitlement written back	-	-	-	-
VII	**(Loss) / Profit for the period (V-VI)**		**(798,628)**	**(625,334)**	**1,364,600**	**(5,489,800)**
VIII	**Other Comprehensive Income**					
	A.	(i) Items that will not be reclassified to profit or loss in subsequent periods	-	-	-	-
		Re-measurement gains on defined benefit plans	-	-	20,500	(34,100)
		(b) Equity instruments through other comprehensive income	-	-	4,600	(2,300)
		ii) Income tax relating to items that will not be classified to profit or loss	-	-	-	-
	B.	(i) Items that will not be reclassified to profit or loss in subsequent periods	-	-	-	-
		(a) Exchange differences in translating the financial statements of foreign operations	-	-	-	(256,900)

Sl No.	Particulars		Audited Standalone		Audited Consolidated	
			Year Ended 31.03.2021	Year Ended 31.03.2020	Year Ended 31.03.2021	Year Ended 31.03.2020
		ii) Income tax relating to items that will be classified to profit or loss	-	-		-
	Total other comprehensive income		-	-	97,600	(293,300)
IX	**Total Comprehensive Loss (VII+VIII)**		**(798,628)**	**(625,334)**	**1,462,200**	**(5,783,100)**
	Loss for the period attributable to:					
		Owners of the Company	-	-	282,700	(2,936,700)
		Non-controlling interests	-	-	1,081,900	(2,553,100)
	Other comprehensive income for the period attributable to:					
		Owners of the Company	-	-	47,000	(141,100)
		Non-controlling interests	-	-	50,600	(152,200)
	Total comprehensive loss for the period attributable to:					
		Owners of the Company	-	-	329,700	(3,077,800)
		Non-controlling interests	-	-	1,132,500	(2,705,300)
X	**Earnings Per Share (EPS) (not annualized)**					
	(a)	Basic	(79.86)	(62.53)	28.27	(293.67)
	(b)	Diluted	(79.86)	(62.53)	28.27	(293.67)

2. <u>FINANCIAL AND OPERATIONAL PERFORMANCE</u>

Standalone Basis:

During the financial year under review, the Company's revenue from operations was Rs. 145,936 thousand as against Rs. 12,826 thousand in the previous financial year. The Company's loss before exceptional items and tax was Rs. 877,236 thousand in the financial year ended 31st March, 2021 as against Rs. 671,556 thousand in the previous financial year. The net loss after tax was Rs. 798,628 thousand as against Rs. 625,334 thousand for previous financial year.

Consolidated Basis:

During the financial year under review, the group's revenue from operations was Rs. 41,877,500 thousand as against Rs. 26,394,400 thousand in the previous financial year. The group's loss before exceptional items and tax was Rs. 1,869,100 thousand for the year ended 31^{st} March, 2021 as opposed to a loss of Rs. 5,536,000 thousand in the previous financial year. The net loss after tax was Rs. 1,364,600 thousand as against the loss of Rs. 5,489,800 thousand for previous financial year.

The performance and financial position of the subsidiary companies and joint ventures is included in the consolidated financial statements of the Company.

3. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT

There were no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

4. DIVIDEND AND RESERVES

In view of the losses incurred by the Company, the Board of Directors of the Company has not recommended any dividend for the financial year under review. As the Company has incurred losses during the year, no amount has been transferred to Reserves.

5. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on 31^{st} March, 2021, the Company has one direct subsidiary namely JSW Ispat Special Products Limited (Formerly known as Monnet Ispat and Energy Limited) [JISPL] and four step down subsidiaries. There has been no change in the nature of business during the financial year under review of the Company or its subsidiaries.

JISPL is engaged in the business of manufacturing and marketing of Sponge Iron, Steel and Ferro Alloys. It has two manufacturing facilities namely, at Raipur and Raigarh, in state of Chhattisgarh.

During the financial year under review, in view of 21 days' nationwide lockdown advisory announced by the Government of India and other authorities to contain the spread of Corona Virus disease (COVID-19), JISPL temporarily suspended all the manufacturing operations of its plants situated at Raipur and Raigarh both located in the State of Chhattisgarh with effect from 25^{th} March 2020. With easing of some restrictions, JISPL restarted the integrated steel manufacturing operations at the Raigarh plant of JISPL with effect from 02^{nd} May, 2020 and the manufacturing operations at Raipur plant were restarted with effect from 15^{th} May 2020.

The manufacturing operations of JISPL are conducted in compliance with the relevant guidelines/ advisory issued by the Government and authorities, for taking necessary measures for the containment of COVID-19, including measures like maintaining social distancing. To contain the spread of COVID-19 JISPL has taken various measures including periodical medical tests, virtual audio visual training to deal with COVID-19, Regular pre-employment checkup, Plant & Colony Santization.

A gist of financial performance of subsidiary companies, are provided in Form AOC-1 and forms part of this report as **Annexure 1.** The separate audited financial statements of these subsidiary Companies are available on the website of the Company viz. https://www.jsw.in/groups/creixent-special-steels-limited#.

The annual financial statement of the subsidiaries companies is open for inspection by any Shareholder or Debenture Trustee at the Company's Registered Office situated at QR No. 50-51, Park Avenue Colony, Jindal Road, Dhimrapur, Raigarh, Chhattisgarh-496001 and the Company will make available these documents and the related detailed information upon request by any Shareholder of the Company or any Shareholder of its subsidiaries who may be interested in obtaining the same.

The consolidated financial statements and financial statements of subsidiaries companies for the year under review is prepared in compliance with the applicable provisions of the Companies Act, 2013, Ind AS and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation, 2015") which forms part of the Annual Report.

6. SHARE CAPITAL

As on 31st March 2021, the authorised share capital of the Company was Rs. 4,15,00,00,000/- (Rupees four hundred and fifteen crores only) divided into 1,50,00,000 (One crore and fifty lacs) equity shares of Rs. 10/- each (Rupees ten only) and 40,00,00,000 (Forty crores) preference shares of Rs. 10/- (Rupees ten only) each.

As on 31st March 2021, the paid up capital of the Company was Rs. 380,26,96,100/- (Rupees three hundred and eighty crores twenty-six lacs ninety-six thousand and hundred only) consisting of 100,00,000 equity shares of Rs. 10/- each and 37,02,69,610 Redeemable Preference Shares of Rs. 10/- each.

There was no change in share capital of the Company during the financial year under review.

7. NON-CONVERTIBLE DEBENTURES

As on 31st March 2021, the Company has 1863 Un-secured Non-Convertible Debentures (NCD's) of Rs. 10,00,000 each. The said NCD's are listed on BSE Limited. Catalyst Trusteeship Limited is the Debenture Trustee. The Company has paid the Listing Fees of the stock exchange for the financial year.

8. CREDIT RATING:

During the financial year, the Company's NCD has been re-affirmed with the rating of BWR BBB- from Brickwork Ratings India Private Limited. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations.

9. PUBLIC DEPOSITS

The Company has not accepted or renewed any fixed deposits during the financial year under review. It has not accepted any deposits from the public within the meaning of the provisions of Section 73 of the Companies Act, 2013 and Rules made thereunder. Therefore, it is not required to furnish information in respect of outstanding deposits under Non-banking, Non-financial Companies (Reserve Bank) Directions, 1966 and Companies (Accounts) Rules, 2014.

10. RELATED PARTY TRANSACTIONS:

All Related Party Transactions (RPT) that were entered into by the Company during the financial year under review were on an arm's length basis and in the ordinary course of business. The disclosures of such material contracts or arrangements or transactions is made in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 and form part of this report as **Annexure 2.**

The information in respect of all related party disclosure as required under regulation 56(f) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015 read with para A of schedule V, is contained in the Note No.19 of the standalone financial statements of the Company.

Prior omnibus approvals are obtained for related party transactions that are of repetitive nature and / or entered in the ordinary course of business and are at arm's length, in compliance with applicable provisions. The statement giving details of all Related Party Transactions are placed before the Audit Committee / the Board for review and approval on a periodical basis.

11. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year, there are no significant or material orders passed by the Regulators/ Courts/ Tribunals that could impact the going concern status of the Company and its future operations.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Directors

As on 31st March 2021, the Board of Directors of the Company consists of the following Directors;

Sr. No.	Name of Director	DIN	Category
1.	Mr. Seshagiri Rao M.V.S.	00029136	Non-Executive Director
2.	Mr. Nikhil Gahrotra	02177756	Non-Executive Director
3.	Mrs. Anuradha Bajpai	07128141	Independent Director
4.	Mr. Kaushik Subramaniam	08190548	Non-Executive Director
5.	Mr. Chirag Bhansali	07395877	Independent Director

During the year under review, Mr. Kalpesh Kikani (DIN: 03534772) resigned from the Board of Directors of the Company as the Non-Executive (Non-Independent) Director with effect from 7th January, 2021 owing to his other professional commitments.

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors have appointed Mr. Kaushik Subramaniam (DIN: 08190548) as an Additional Director (Non-Executive-Non-Independent) of the Company with effect from 19th January, 2021.

In terms of Section 161 of the Companies Act, 2013 Mr. Kaushik Subramaniam will hold office until the date of the ensuing Annual General Meeting and are eligible to be appointed as Director of the Company. The Company has received a notice under Section 160 of the Companies Act, 2013 from a member, proposing the candidature of Mr. Kaushik Subramaniam for appointment as Director of the Company.

In accordance with the provisions of section 152 of the Companies Act 2013 and Articles of Association of the Company Mr. Seshagiri Rao MVS, Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible has offered himself for re-appointment.

Brief profile, nature of expertise and directorship details of Mr. Seshagiri Rao MVS and Mr. Kaushik Subramaniam is provided to the members in the note accompanying the notice convening the 3rd Annual General Meeting.

The Board recommends their appointment for the approval of the members at the ensuing 3rd Annual General Meeting.

Key Managerial Personnel

During the year under review Mr. Raj Sureka resigned as Chief Executive Officer of the Company with effect from 20th November 2020 Further, after closure of financial year 2020-21, Mr. Suresh Prasad appointed as Chief Executive Officer of the Company with effect from 14th May 2021.

Except above, there were no changes in the Key Managerial Personnel of the Company during the year under review.

13. BOARD PERORMANCE EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013 the Board has formulated Board Evaluation Policy for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors.

During the financial year under review, the performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee on certain key attributes and parameters. The Board carried out an annual performance evaluation of its own performance, the performance of the Independent Directors individually as well as the evaluation of the working of the Committees of the Board to optimise its overall effectiveness.

14. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the financial year Four (4) Board Meetings were convened and held. The intervening gap between these Meetings was within the period prescribed under the Companies Act, 2013.

During the financial year under review the Company was in compliance with Secretarial Standards i.e. SS- 1 and SS- 2 relating to "Meetings of Board of Directors" and "General Meetings" respectively.

15. SEPARATE MEETING OF INDEPENDENT DIRECTORS

In Compliance with the provision of the Companies Act, 2013 the Independent Directors held a Meeting on March 25, 2021, and they, inter alia evaluated:

a) the performance of non-independent directors based on responses by directors to a questionnaire for self-evaluation and the board process.
b) the frequency and duration of the board and committee meetings and the timeliness and quality of information made available to the directors that would facilitate proper discharge of the responsibilities by the Board and felt that, the same was satisfactory.

The Independent Directors expressed their satisfaction with overall functioning and implementations of their suggestions.

16. COMMITTEES OF THE BOARD

Your Company has duly constituted the Committees as required under the Companies Act, 2013 read with applicable Rules made thereunder. At present the Company has the following Committees of the Board;

i) **Audit Committee**

In accordance with Section 177 of the Companies Act, 2013 the Board has constituted Audit Committee, the composition of which is as detailed below:

a) Mr. Chirag Bhansali - Non-Executive Independent Director - Chairman
b) Mrs. Anuradha Bajpai - Non-Executive Independent Director - Member
c) Mr. Nikhil Gahrotra - Non-Executive Director - Member

The terms of reference of the Committee are as per Section 177 of the Companies Act 2013.All the recommendations of the Audit Committee were accepted by the Board during the year under review.

During the year under review there was no change in composition of the Audit Committee.

ii) **Nomination & Remuneration Committee:**

In accordance with Section 178 of the Companies Act, 2013 the Board has constituted Nomination & Remuneration Committee, the composition of which is as detailed below:

a) Mr. Seshagiri Rao M.V.S. - Non-Executive Director –Chairman
b) Mr. Chirag Bhansali - Non-Executive Independent Director - Member
c) Mrs. Anuradha Bajpai - Non-Executive Independent Director - Member
d) Mr. Nikhil Gahrotra – Non-Executive Director – Member

During the year under review there was no change in composition of Nomination & Remuneration Committee.

17. NOMINATION AND REMUNERATION POLICY

Pursuant to Section 178 of the Companies Act, 2013 the Board of Directors approved Board Evaluation Policy and the same were also noted by the Nomination and Remuneration Committee. This policy consists evaluation process of Board Member Self Evaluation and Overall Board & Committee Evaluation.

The Board Evaluation Policy, as approved by the Board of Directors, is also hosted on the website of the Company viz:- https://www.jsw.in/groups/creixent-special-steels-limited#.

18. VIGIL MECHANISM CUM WHISTLE BLOWER POLICY

The Company has framed Whistle Blower Policy / Vigil Mechanism, to deal with instances of fraud and mismanagement, if any. The same has also hosted on the website of the Company viz: https://www.jsw.in/groups/creixent-special-steels-limited#.

19. AUDITORS

a) Statutory Auditor

At the 1st Annual General Meeting of the Company held on 27th December 2019, members of the Company approved the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountant, Mumbai, (Registration Number 117366W/W-100018) as the statutory auditor for a period of 5 years with effect from the conclusion of the 1st Annual General Meeting till the conclusion of the 6th Annual General Meeting.

The Auditors have audited standalone and consolidated financial statements of the Company for the financial year ended 31st March 2021. The Report does not contain any qualification, reservation or adverse remark or disclaimer requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013. No fraud has been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

b) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, at its meeting held on 18th May, 2020 has appointed M/s S. Srinivasan & Co., a Company Secretaries Firm to conduct a secretarial audit of the Company for the financial year 2020-21. The Report of the Secretarial Audit carried out for the financial year 2020-21 is annexed herewith as **Annexure -3**.
The report does not contain any qualification, reservation or adverse remark or disclaimer requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Board, at its meeting held on 14th May 2021 has re-appointed M/s S. Srinivasan & Co., a Company Secretaries Firm Practicing Company Secretaries, as Secretarial Auditor, for conducting Secretarial Audit of the Company for financial year 2021-22.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended, the information on conservation of energy, technology absorption and foreign exchange earnings and outgo are annexed as **Annexure - 4** hereto and forms an integral part of this Report.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There was no loan advanced, guarantees given or security provided by the Company under Section 186 of the Companies Act, 2013 during the financial year under review. Particulars of investments made are provided in the financial statement (Please refer to Note no. 2 to the standalone financial statement).

22. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details of the employees as required under Section 197(12) of the Companies Act 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are annexed to this report as **Annexure -5.**

There are no employees drawing remuneration of Rupees One Crore and Two Lakhs or more, or posted for part of the year and in receipt of Rupees Eight Lakhs and Fifty Thousand or more a month under the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("said rules").

23. ANNUAL RETURN

In accordance with the provisions of the Companies Act, 2013 and amendment thereto, the Annual Return of the Company is placed on the website of the Company and is accessible at the web-link https://www.jsw.in/groups/creixent-special-steels-limited#.

24. RISK MANAGEMENT

The company has Risk Management Policy to ensure sustainable growth & sound corporate governance by having an identified process of risk identification and management. Audit Committee monitors Risk Management framework.

25. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial control with reference to the size and nature of its business.

26. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has less than ten employees therefore the Constitution of Internal Complaints Committee as required under The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal)

Act, 2013, is not applicable to the Company. However, the Company has not received any complaints pertaining to sexual harassment during the financial year under review.

27. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134, subsection 3(c) and sub-section (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state and confirm that:

(a) in the preparation of the annual accounts for the financial year ended 31st March 2021, the applicable accounting standards have been followed and a proper explanation has been provided in relation to any material departures;

(b) such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March 2021 and of the loss of the Company for the year on that date;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the annual accounts for the financial year ended 31st March 2021 have been prepared on a going concern basis;

(e) internal financial controls were laid down to be followed by the Company and such internal financial controls are adequate and were operating effectively; and

(f) proper systems were devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

28. OTHER DISCLOSURES / REPORTING

Your Directors state that during the financial year under review, no disclosure or reporting is required in respect of the following items as there were no transactions or provisions applicable pertaining to below items:

a) Issue of equity shares with differential rights as to dividend, voting or otherwise.

b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOPs referred to in this Report.

c) The provisions of Section 135 with respect to Corporate Social Responsibility.

d) Maintenance of cost records/cost audit as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

29. GENERAL INFORMATION FOR MEMBERS

The half-yearly Financial Results of the Company are submitted to the Stock Exchanges in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are published in a leading English daily newspaper. The half-yearly results, are also posted on the Company's website, https://www.jsw.in.

30. DETAILS OF DEBENTURE TRUSTEES

The Company has issued Debentures on a private placement basis and the same is listed on the BSE Limited ("BSE"). Pursuant to Regulation 53(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Details of Debenture Trustees, are as under:

Name	Catalyst Trusteeship Limited
Address	No 604, Windsor, Off, CST Road, Kolivery Village, Vidya Nagari, Kalina, Santacruz East, Mumbai, Maharashtra 400098
Contact Details	022-49220555
Email ID	Urvashi.Arora@ctltrustee.com

31. ACKNOWLEDGEMENT

The Directors wish to place on record their gratitude to the authorities, banks, business associates, Debenture holders and Shareholders for their unstinted support, assistance and co-operation. The Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment.

By order of the Board
For Creixent Special Steels Limited

Creixent Special Steels Limited

Seshagiri Rao M.V.S.
Director
(DIN 00029136)

Nikhil Gahrotra
Director
(DIN: 01277756)

Place: Mumbai
Date: 14th May 2021

Annexure-1

FORM NO. AOC -1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Amount in Rs.)

Sl. No.	1	2	3	
Name of the subsidiary	**^ JSW Ispat Special Products Limited (Formerly known as Monnet Ispat and Energy Limited)**	***Monnet Cement Limited**	***Monnet Global Limited**	
Date since when subsidiary was acquired	31st August 2018	29 November 2007	17 September 2005	
Reporting period for the subsidiary concerned	Same	Same	Same	
Reporting Currency and exchange rate as on last date of the financial year in case of foreign subsidiaries	Rupees	Rupees	Rupees	US Dollar
Share capital	995,52,75,340	21,900,000	205,382,257	5,007,797
Reserves and surplus	387,96,60,163	(20,662,355)	(671,535,776)	(12,967,709)
Total asset	4987,33,56,813	2,745,123	92,214,240	1,254,535
Total liabilities	3603,84,21,130	1,507,478	558,367,759	9,214,448
Investments	1,18,01,125	-	-	-
Turnover	4187,74,18,426	-	-	-
Profit before taxation	(105,00,41,736)	(444,116)	3,145,460,346	42,759,031
Provision for taxation	-	-	-	-
Profit after taxation	(105,00,41,736)	(444,116)	3,145,460,346	42,759,031
Proposed Dividend	-	-	-	-
% of shareholding	48.12%	48.12%	48.12%	

*subsidiary of JSW Ispat Special Products Limited (Formerly known as Monnet Ispat and Energy Limited)
^ subsidiary of the Company.

Additional Disclosure	**Name of Subsidiaries**
Subsidiaries yet to commence operations	Monnet Cement Limited Monnet Global Limited
Subsidiaries Liquidated or Sold during the year	---------

Part "B": Associates/Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Not Applicable
1. Latest audited Balance Sheet Date	
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate/Joint Ventures held by the company on the year end	
a) No.	
b) Amount of Investment in Associates/Joint Venture	
c) Extend of Holding %	
4. Description of how there is significant influence	
5. Reason why the associate/joint venture is not Consolidated	
6. Networth attributable to Shareholding as per latest audited Balance Sheet	
7. Profit / Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	
Total	

Additional Disclosure	**Name of Associates/Joint ventures**
Associates/Joint ventures yet to commence operations	---------
Associates/Joint ventures Liquidated or Sold during the year	---------

For and on behalf of the Board of Directors
For **Creixent Special Steels Limited**

Keshav Anand
Chief Financial Officer

Shyam Dikkatwar
Company Secretary
ACS: 33003

Chief Executive Officer

Nikhil Gahrotra
Director
DIN: 01277756

Seshagiri Rao M.V.S.
Director
DIN: 00029136

Place: Mumbai
Date: 14th May 2021

Creixent Special Steels Limited

Annexure -2

Form 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 arms-length transaction under third proviso thereto.

1) Details of contracts or arrangements or transactions not at arm's length basis

Not applicable, all contracts or arrangements or transactions with related parties are at arm's length basis.

2) Details of material contracts or arrangement or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	JSW Steel Limited The investing party in respect of which the reporting enterprise is a joint venture
b)	Nature of contracts/arrangements/transactions	Reimbursement of expenses
C)	Duration of the contracts/arrangements/transactions	1^{st} April 2020 to 31^{st} March 2021
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Reimbursement of expenses Rs. 3,333 thousands
e)	Date(s) of approval by the Board, if any:	18^{th} May, 2020
f)	Amount paid as advances, if any:	Nil

Creixent Special Steels Limited

By order of the Board
For Creixent Special Steels Limited

Seshagiri Rao M.V.S.
Director
(DIN 00029136)

Nikhil Gahrotra
Director
(DIN: 01277756)

Place: Mumbai
Date: 14^{th} May 2021

S. Srinivasan & Co.,
Company Secretaries

Office No. 5, 5th floor,
AC Market Building CHS Ltd.,
Tardeo Road, Mumbai 400 034
Tel no.: 022- 2351 7505
Mobile: +91 93210 25730
E-mail: mumbaissandco@yahoo.com

FORM NO. MR- 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[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]

To,
The Members,
CREIXENT SPECIAL STEELS LIMITED
JSW Centre, Bandra Kurla Complex,
Bandra (East), Mumbai,
Maharashtra– 400 051

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CREIXENT SPECIAL STEELS LIMITED** bearing CIN: U27209CT2018PLC008397 (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our 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 authorised representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 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:

The continuing uncertainties and restrictions on opening of offices and in the movement of people across the country arising out of COVID-19 has resulted in limiting our access to physical records of the companies. We have, therefore, examined, in the best possible manner through the virtual platform the books, papers, minutes books, forms and returns filed and other records maintained by the company for the financial year ended 31st March, 2021 according to the provisions of:

i. The Companies Act, 2013, (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956, ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996, and the Regulations and Bye-laws framed there under;

iv. Foreign Exchange Management Act, 1999, and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as may be appropriately applicable for the period under review

    a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

    b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

vi. The following regulations and guidelincs prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') which are not applicable to the Company for the period under review:

    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, 2018;

    d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014;

    e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

    f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

    g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

    h. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Redeemable Preference Shares) Regulation, 2013.

vii. All other relevant applicable laws including those specifically applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes are in place to monitor and ensure compliance with those laws.

We have also examined compliance with the applicable clauses of the following Secretarial Standards:

The Secretarial Standards issued and notified by the Institute of Company Secretaries of India SS- 1 & SS- 2 have been complied with by the Company during the financial year under review.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent where such records have been examined by us.

We further report that:

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

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

- Decisions at the meetings of the Board of Directors were carried through on the basis of majority and there were no dissenting views by any Member of the Board during the year under review.

We further report that,

Based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary/ Chief Financial Officer/ Chief Executive Officer taken on record by the Board of Directors of the Company, in our opinion 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.

The compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that, during the audit period, there are no specific events/ actions occurred which had any major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards etc.

For *S. Srinivasan & Co.*,
Company Secretaries

S. Srinivasan
Practicing Company Secretary
FCS: 2286 | CP. No.: 748
UDIN: F002286C000274461

Place: Chennai
Date: 11.05.2021

Annexure A

To,
The Members,
CREIXENT SPECIAL STEELS LIMITED
JSW Centre, Bandra Kurla Complex,
Bandra (East), Mumbai,
Maharashtra– 400 051

Our Secretarial Audit report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is limited to virtual examination based on inputs provided by the management in soft copies. Any material deviation or non-compliance which may have occurred during the year under review and which may come to light later on, on the examination of the physical records can be addressed, if appropriate and found necessary, in the next Secretarial Audit Report, which report may be construed as an addendum to this report to that extent.

7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For *S. Srinivasan & Co.*,
Company Secretaries

S. Srinivasan
Practicing Company Secretary
FCS: 2286 | CP. No.: 748
UDIN: F002286C000274461

Place: Chennai
Date: 11-05-2021

Annexure -4

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

Alternative source of energy: Not Applicable

Capital investment on energy conservation equipment's-. Not Applicable

B. TECHNOLOGY ABSORPTION

Efforts are being made in technology absorption.	Not Applicable
Benefits derived as a result of the above efforts	Not Applicable
Information relating to imported Technology (during the last three years reckoned from the beginning of the financial year) a) the details of technology imported; b) the year of import; c) whether the technology been fully absorbed; d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	Not Applicable
Expenditure incurred on Research and Development.	Not Applicable

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange outgo in terms of actual outflows, during financial year ended 31st March 2021 are as follow:-

(Rs. In thousand)

Total Foreign Exchange used and earned	**2020-21**	**2019-20**
- Used	Nil	Nil
- Earned	Nil	Nil

By order of the Board
For Creixent Special Steels Limited

Creixent Special Steels Limited

Seshagiri Rao M.V.S.
Director
(DIN 00029136)

Nikhil Gahrotra
Director
(DIN: 01277756)

Place: Mumbai
Date: 14th May 2021

Annexure -5

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

<table>
<tr>
<td>1. The ratio of the remuneration of each director to the median employees 'remuneration for the financial year:</td>
<td>Not Applicable.

Non-Executive Non-Independent Directors neither received any remuneration from the Company nor were paid any sitting fees for attending the meetings.

Independent Directors were not paid any remuneration except the sitting fees for attending meeting of Board and Committees.</td>
</tr>
<tr>
<td>2. the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:</td>
<td>
<table>
<tr><th>Name</th><th>Designation</th><th>Percentage increase in remuneration</th></tr>
<tr><td># Raj Kumar Sureka</td><td>Chief Executive Officer</td><td>Nil</td></tr>
<tr><td>Keshav Anand</td><td>Chief Financial Officer</td><td>Nil</td></tr>
<tr><td>Shyam Dikkatwar</td><td>Company Secretary</td><td>Nil</td></tr>
</table>
Resigned as Chief Executive Officer with effect from 20th November 2020.

Non-Executive Non-Independent Directors neither received any remuneration from the Company nor were paid any sitting fees for attending the meetings.

Independent Directors were not paid any remuneration except the sitting fees for attending meeting of Board and Committees.</td>
</tr>
<tr>
<td>3. The percentage increase in the median remuneration of employees in the financial year:</td>
<td>Not Applicable, as the Company has no employees on the payroll of the Company.</td>
</tr>
<tr>
<td>4. The Number of permanent Employees on the rolls of the Company:</td>
<td>Nil</td>
</tr>
</table>

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and exceptional circumstances for increase in the managerial remuneration, if any:	Not Applicable, as the Company has no employees on the payroll of the Company.
6. Affirmation that the remuneration is as per the remuneration policy of the Company:	It is hereby affirmed that the remuneration paid is as per the policy for Remuneration of the Directors, Key Managerial Personnel and Employees.

By order of the Board
For Creixent Special Steels Limited

Creixent Special Steels Limited

Seshagiri Rao M.V.S.
Director
(DIN 00029136)

Nikhil Gahrotra
Director
(DIN: 01277756)

Date: 14th May 2021
Place: Mumbai

Deloitte
Haskins & Sells LLP

Chartered Accountants
One International Center
Tower 3, 27th -32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India

Tele: + 91 22 6185 4000
Fax: +91 22 6185 4001

INDEPENDENT AUDITOR'S REPORT

To The Members of Creixent Special Steels Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Creixent Special Steels Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes Group's share of profit in its joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements / financial information of the subsidiaries and joint ventures referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

DELOITTE HASKINS & SELLS LLP
MUMBAI
CHARTERED ACCOUNTANTS

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Recoverable value assessment of Property, plant and equipment In view of continuing losses, the management has assessed the recoverable value of property, plant and equipment engaging an independent external expert. Replacement cost estimation involves significant judgement and estimates. [Refer note 3 to the consolidated financial statements]	Our procedures will include but will not be limited to : - Evaluating the design and implementation, and testing the operating effectiveness of the relevant controls over determination of recoverable value of property, plant and equipment. - Assessing the competence and independence of the valuation expert engaged by the Company for determining the replacement cost of property, plant and equipment. - Reviewing the information shared with the independent expert engaged by the management. - Evaluating the reasonableness of the valuation provided by the independent expert by challenging the significant assumptions used and estimates and judgements made in deriving the valuation with the help of internal fair value specialist. - Verification of accounting implications, if any, and appropriateness of disclosures in the consolidated financial statements.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of Rs. 2.13 Crore as at 31 March, 2021, total revenues of Rs. 1.41 Crore and net cash inflows amounting to Rs. 1.47 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

In respect of a subsidiary located outside India whose financial statements has been prepared in accordance with International Financial Reporting Standards and which has been audited by the another auditor under International Standards on Auditing issued by the International Accounting Standards Board, whose report has been furnished to us by the Management. The Company's management has converted the financial statements of the aforesaid subsidiary from International Financial Reporting Standards to the accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Company' management. Our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based on the report of another auditor and the conversion adjustments prepared by the Management of the Company and reviewed by us.

(b) We did not audit the financial statements / financial information of 2 subsidiaries, whose financial statements / financial information reflect total assets of Rs. 7.37 Crore as at 31 March, 2021, total revenues of Rs. 1.57 Crore and net cash outflows amounting to Rs. 0.01 Crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. Nil for the year ended 31 March, 2021, as considered in the consolidated financial statements, in respect of 5 joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated

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financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and joint ventures referred to in the Other Matters section above we report, to the extent applicable that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent Company as on 31 March, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and joint venture companies incorporated in India, none of the directors of the Group companies and its joint venture companies incorporated in India is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures.

ii) The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and joint venture companies incorporated in India.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rakesh Sharma
(Partner)
(Membership No. 102042)
(UDIN: 21102042AAAABB6235)

Place: Mumbai
Date:14 May 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March, 2021, we have audited the internal financial controls over financial reporting of Creixent Special Steels Limited (hereinafter referred to as "Parent") and its subsidiary company, which includes internal financial controls over financial reporting of its subsidiary, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary company, which is a company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 were established and maintained and if such controls operated effectively in all material respects.

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

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We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company, which is a company incorporated in India, in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary company, which is a company incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors referred to in the Other Matter paragraph below, the Parent and its subsidiary company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2021, based on the criteria for internal financial control over financial reporting established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit issued by the ICAI.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to a subsidiary company, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

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Crelxent Special Steels Limited
Consolidated Balance Sheet As At 31 March 2021
(Amount in Rupees crores, unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
A. ASSETS			
1. Non-current assets			
a. Property, plant and equipment	3	3,147.95	3,235.99
b. Capital work-in-progress		175.14	234.21
c. Right of use assets	40	43.84	29.58
d. Intangible assets	4	34.69	37.50
e. Investments in joint ventures	5	-	-
f. Financial assets			
i. Investments	6	0.92	0.59
ii. Other financial assets	7	65.49	24.35
g. Current tax assets (net)	8	4.31	3.25
h. Other non-current assets	9	22.22	21.35
Total non-current assets		**3,494.56**	**3,586.82**
2. Current assets			
a. Inventories	10	925.03	857.49
b. Financial assets			
i. Investments	6	0.25	0.16
ii. Trade receivables	11	188.67	51.77
iii. Cash and cash equivalents	12 a	13.52	36.11
iv. Bank balance other than above	12 b	116.39	130.23
v. Derivative assets	13	0.23	7.75
vi. Loans	14	-	0.36
vii. Other financial assets	15	14.79	1.45
c. Other current assets	16	283.72	135.16
Assets classified as held for sale	36	12.27	38.47
Total current assets		**1,554.87**	**1,258.95**
TOTAL ASSETS		**5,049.43**	**4,845.77**
EQUITY AND LIABILITIES			
Equity			
a. Share capital	17	10.00	10.00
b. Other equity	18	83.63	50.66
Equity attributable to owners of the Company		**93.63**	**60.66**
Non-controlling interests		648.94	535.69
Total equity		**742.57**	**596.35**
Liabilities			
1. Non-current liabilities			
a. Financial liabilities			
i. Borrowings	19	2,772.73	2,749.20
ii. Lease liabilities	20	27.16	28.85
iii. Other financial liabilities	24	222.18	101.13
b. Provisions	21	5.60	4.64
c. Deferred tax liabilities (net)	26	12.12	20.96
Total non-current liabilities		**3,039.79**	**2,904.78**
2. Current liabilities			
a. Financial liabilities			
i. Borrowings	19	224.73	367.63
ii. Lease liabilities	20	0.46	0.98
iii. Trade payables	22		
- total outstanding dues of micro and small enterprises;		0.04	1.35
- total outstanding dues of creditors other than micro and small enterprises		780.61	488.63
iv. Derivative liabilities	23	2.23	0.20
v. Other financial liabilities	24	148.10	448.85
b. Other current liabilities	25	110.00	32.87
c. Provisions	21	0.88	0.84
Liabilities classified as held for sale	36	0.02	3.29
Total current liabilities		**1,267.07**	**1,344.64**
TOTAL EQUITY AND LIABILITIES		**5,049.43**	**4,845.77**

See accompanying notes to the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Date: 14 May 2021
Place: Mumbai

For and on behalf of the Board of Directors

Suresh N Prasad
Chief Executive Officer

Seshagiri Rao M.V.S.
Director
DIN: 00029136

Keshav Anand
Chief Financial Officer

Nikhil Gahrotra
Director
DIN: 01277756

Shyam Dikkatwar
Company Secretary
ICSI M No. ACS: 33003

Crelxent Special Steels Limited

Creixent Special Steels Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2021
(Amount in Rupees crores, unless otherwise stated)

	Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
I	**INCOME**			
	Revenue from operations	27	4,150.15	2,609.04
	Other operating income		37.60	30.40
	Total revenue from operations		**4,187.75**	**2,639.44**
II	Other income	28	15.73	26.28
III	**Total income (I+II)**		**4,203.48**	**2,665.72**
IV	**EXPENSES**			
	Cost of material consumed		2,965.57	1,977.84
	Purchase of stock-in-trade		-	1.28
	Changes in inventories of finished goods, stock in trade and work-in-progress	29	4.41	(34.48)
	Employee benefits expense	30	115.58	117.00
	Finance costs	31	362.95	319.18
	Depreciation and amortisation expense	32	225.80	213.27
	Power and fuel		267.07	287.27
	Other expenses	33	449.01	337.96
	Total expenses		**4,390.39**	**3,219.32**
V	**Loss before exceptional items and tax (III-IV)**		**(186.91)**	**(553.60)**
VI	Exceptional items (net)	34	314.53	-
VII	**Profit / (loss) before tax (V+VI)**		**127.62**	**(553.60)**
VIII	**Tax expense / (credit):**			
	Current tax		-	-
	Deferred tax	26	(8.84)	(4.62)
IX	**Profit / (loss) for the year**		**136.46**	**(548.98)**
X	**Other comprehensive income / (loss)**			
	A. i. Items that will not be reclassified to profit or loss in subsequent periods			
	a. Re-measurement gains / (losses) on defined benefit plans		2.05	(3.41)
	b. Equity instruments through other comprehensive income		0.46	(0.23)
	ii. Income tax effect		-	-
	B. i. Items that will be reclassified to profit or loss in subsequent periods			
	a. Exchange differences in translating the financial statements of foreign operations		7.25	(25.69)
	ii. Income tax effect		-	-
	Total other comprehensive income / (loss) for the year		**9.76**	**(29.33)**
XI	**Total comprehensive income / (loss) for the year**		**146.22**	**(578.31)**
	Total comprehensive income / (loss) for the year attributable to:			
	Owners of the Parent		**32.97**	**(307.78)**
	Non controlling interests		**113.25**	**(270.53)**
	Profit / (loss) for the year attributable to:			
	Owners of the Parent		**28.27**	**(293.67)**
	Non controlling interests		**108.19**	**(255.31)**
	Other comprehensive income / (loss) for the year attributable to:			
	Owners of the Parent		**4.70**	**(14.11)**
	Non controlling interests		**5.06**	**(15.22)**
XII	**Earnings per equity share of Rs.10 each:**	35		
	(1) Basic		**28.27**	**(293.67)**
	(2) Diluted		**28.27**	**(293.67)**

See accompanying notes to the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Date: 14 May 2021
Place: Mumbai

For and on behalf of the Board of Directors

Suresh N Prasad
Chief Executive Officer

Seshagiri Rao M.V.S.
Director
DIN: 01277756

Keshav Anand
Chief Financial Officer

Nikhil Gahrotra
Director
DIN: 01277756

Shyam Dikkatwar
Company Secretary
ICSI M No. ACS: 33003

Creixent Special Steels Limited

Creixent Special Steels Limited
Statement of Consolidated Cash flows for the year ended 31 March 2021
(Amount in Rupees crores, unless otherwise stated)

	For the year ended 31 March 2021		For the year ended 31 March 2020	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit / (loss) before tax		127.62		(553.60)
Adjusted for :				
Depreciation and amortization expenses	225.80		213.27	
Interest income	(8.96)		(11.55)	
Interest expenses	362.95		319.18	
Loss/ (profit) on sale of property, plant & equipment	1.50		(0.01)	
Loss on sale of assets held for sale	1.80		-	
Unrealised exchange loss	2.39		3.59	
Gain arising on fair valuation of financial instruments designated as FVTPL	(0.23)		(7.55)	
Loss arising on fair valuation of financial instruments designated as FVTPL	2.23			
Provision/ liability written back	(2.42)		(4.68)	
Allowance for doubtful debt	0.58		-	
Capital work-in-progress written off	3.83		-	
Provision for non recoverable advances	0.14		1.80	
Write down of inventories to net realisable value	-		36.68	
Gain on sale of investments	-		(0.09)	
Loan liability written back	(275.90)		-	
Interest liability written back	(42.60)		-	
Loss on reassessment of realizable value of assets held for sale	22.58		-	
Advance written back	(18.61)		-	
		275.08		550.64
Operating profit / (loss) before working capital changes		402.70		(2.96)
Working capital adjustments:				
Increase in inventories	(67.54)		(235.36)	
Increase in trade and other receivables	(325.48)		(70.49)	
Increase in trade and other liabilities	392.63		114.00	
Increase / (decrease) in provisions	3.05		(1.47)	
		2.66		(193.32)
Cash flows genrated from / (used) in operations		405.36		(196.28)
Income taxes paid (net)		(1.05)		(1.12)
Net cash genrated from / (used in) operating activities		**404.31**		**(197.40)**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant & equipment including capital work in progress	(95.10)		(128.91)	
Proceeds from sale of property, plant & equipment	1.54		0.28	
Proceeds from sale of subsidiaries	-		*	
Proceeds from sale of assets held for sale	4.16		-	
Purchase of investments	-		(31.50)	
Proceeds from sale of investments	0.03		31.59	
Interest received	8.35		10.47	
Net cash used in investing activities		**(81.02)**		**(118.07)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Interest paid	(249.87)		(234.24)	
Payment of lease liabilities	(0.48)		(1.04)	
Proceeds of long term borrowings	65.74		207.89	
Repayments of long term borrowings	(18.37)		-	
(Repayment) of / proceeds from short term borrowings (net)	(142.90)		213.42	
Net cash (used in) / generated from financing activities		**(345.88)**		**186.03**
Net decrease in cash and cash equivalents (A+B+C)		**(22.59)**		**(129.44)**
Cash and cash equivalents at the beginning of the year		**36.11**		**165.55**
Cash and cash equivalents at the end of the year		**13.52**		**36.11**
Components of cash and cash equivalents				
Cash on hand		0.08		0.06
Balance in current account and deposits with banks		13.44		36.05

* Rs. 2

1. The consolidated statement of cash flows has been prepared using the "indirect method" set out in IND AS 7 - Statement of Cash Flows.
2. Reconciliation between the opening and closing balances in the Balance sheet for liabilities arising from financing activities:

Particulars	As at 31 March 2021	Interest accrued	Cash flows	Non-cash changes	As at 31 March 2020
Long term borrowings	2,877.15	-	47.37	(280.91)	3,110.69
Short term borrowings	224.73	-	(142.90)	-	367.63
Lease liabilities	27.62	-	(0.48)	(1.73)	29.83
Interest accrued but not due on borrowings (including premium payable on redemption of debentures and preference shares)	235.28	341.00	(249.87)	(24.92)	169.07

Particulars	As at 31 March 2020	Interest accrued	Cash flows	Non-cash changes	As at 31 March 2019
Long term borrowings	3,110.69	-	207.89	25.19	2,877.61
Short term borrowings	367.63	-	213.42	-	154.21
Lease liabilities	29.83	-	(1.04)	30.87	-
Interest accrued but not due on borrowings (including premium payable on redemption of debentures and preference shares)	169.07	310.72	(234.24)	9.16	83.43

See accompanying notes to the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Date: 14 May 2021
Place: Mumbai

For and on behalf of the Board of Directors

Suresh N Prasad
Chief Executive Officer

Soshagiri Rao M.V.S.
Director
DIN: 01277756

Keshav Anand
Chief Financial Officer

Nikhil Gahrotra
Director
DIN: 01277756

Shyam Dikkatwar
Company Secretary
ICSI M No. ACS: 33003

Creixent Special Steels Limited

Creixent Special Steels Limited
Notes to the consolidated financial statements for the year ended 31 March 2021

1. General information

Creixent Special Steels Limited ("the Company") is incorporated in India on 27 February 2018 under the Companies Act, 2013 with its registered office located at QR No. 50-51, Park Avenue Colony, Jindal Road, Dhimrapur, Raigarh – 496001, Chattisgarh.

The Company and its subsidiaries (together referred to as the "Group) along with its associate and joint venture companies are engaged in manufacturing and marketing of Sponge Iron, Steel and Ferro Alloys.

2.1 Statement of compliance

These Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The aforesaid Consolidated financial statements of the Company for the year ended 31 March 2021 were approved by the board of directors in the meeting held on 14 May 2021.

2.2 Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Consolidated financial statements are presented in INR and all values are rounded to the nearest crore, except when otherwise indicated.

Current and non-current classification

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

An asset is classified as current when it satisfies any of the following criteria:
- it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realized 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 Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

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

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2.3 Basis of consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee
- is exposed to, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassess to whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including;

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of profit and loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Consolidation procedure:

Like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries are combined.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.
Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

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2.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date.

In case of bargain purchase, before recognizing gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognizes any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

2.5 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture.

Distributions received from an associate or a joint venture reduce the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

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An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

2.6 Significant Accounting Policies

a. Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefit will flow to the Group and it can be measured reliably.

Sale of goods

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

The Group recognises revenue in terms of the contract which is generally at the point in time when the products are delivered to the customer or when it is delivered to a carrier for export sale, which is the point of time when the control over the product is transferred to the customer.

In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items as per the terms of the contract.

The amount of revenue excludes any amount collected on behalf of third parties or governments such as goods and service tax levied on sales.

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Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income is accrued on a time proportion 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 financial asset to that asset's net carrying amount on initial recognition.

b. Foreign currency transactions and foreign operations:

The Group's consolidated financial statements are presented in Indian Rupee, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

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 Consolidated Statement of Profit and Loss in the period in which they arise.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

c. 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 Consolidated Statement of Profit and Loss in the period in which they are incurred.

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

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

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d. Government Grants

Government grants are not recognized until there is reasonable assurance that The Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in the Statement of Profit and Loss on a systematic basis over the periods in which The Group recognizes as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

e. Employee benefits:

i) Short term employee benefits:
The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

ii) Long term employee benefits:
Compensated absences are recognised as a liability as at the Balance Sheet date on the basis of actuarial valuation using projected unit credit method.

iii) Retirement benefit costs and termination benefits:
Defined contribution plans:
Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans:
For defined benefit retirement benefits plans, the cost of providing benefits is determined using the projected unit credit method, and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income. Actuarial valuations are carried out at the end of each annual reporting period for defined benefit plans.

The Group makes monthly contributions to provident fund authorities for qualifying employees.

f. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax expense is recognized in the Consolidated Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted at the Balance Sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated 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 recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

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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.

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.

Appendix C to Ind AS 12 - Uncertainty over income tax treatments

Appendix C to Ind AS 12 clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The adoption of Appendix C to Ind AS 12 did not have any material impact on the financial statements of the Group.

g. 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.

Cost of major inspection/overhauling is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

Properties in the course of construction are carried at cost, less any recognised impairment loss, as capital work in progress. Upon completion, such properties are transferred to the appropriate categories of property, plant and equipment and the depreciation commences.

Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized.

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 the Consolidated Statement of Profit and Loss.

h. 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 period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

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

i. Depreciation and amortisation

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

Class of property, plant and equipment	Useful lives
Plant and machinery at SMS division	20 years
Rolls in rolling mill and bar mill	5 years

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

Freehold land is not depreciated.

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 Consolidated Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The estimated useful lives, residual values and depreciation methods are reviewed periodically, including at each financial year end, with the effect of any changes in estimate accounted for on a prospective basis.

j. Impairment of tangible and intangible assets:

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

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss.

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

k. Leases

The Group as a lessor

Leases for which The Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When The Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The Group as a lessee

Effective 01 April 2019, the Group has adopted Ind AS 116 "Leases' and applied the standard to all lease contracts existing on the date of initial application i.e. 01 April 2019. The Group has used the modified retrospective approach for transitioning to Ind AS 116.

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, The Group assesses whether: (i) the contact involves the use of an identified asset (ii) The Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) The Group has the right to direct the use of the asset.

At the date of commencement of the lease, The Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, The Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if The Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

l. Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

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.

m. Earnings per share

Basic earnings per share is computed by dividing the profit/ (loss) for the year 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) for the year 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. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

n. Provisions, contingencies and commitments:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liabilities is made where there is :

i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
ii) a present obligation that arises from past events but is not recognized because:
   - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
   - the amount of the obligation cannot be measured with sufficient reliability.

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

Provisions, contingent liabilities and commitments are reviewed at each reporting period.

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Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

o. Financial instruments

Financial assets and financial liabilities are recognised when the Group entity becomes a party to the contractual provisions of the instruments. 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 profit or 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 or loss are recognised immediately in the Consolidated Statement of Profit and Loss.

- **Cash and cash equivalents**
  The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of unencumbered balances with banks.

- **Financial assets carried at amortised cost**
  A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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.

- **Investment in equity instruments at fair value through other comprehensive income**

  An investment in equity instruments at fair value through other comprehensive income is measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

- **Financial assets at fair value through profit or loss**
  Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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

- **Financial liabilities at amortised cost**
  Financial liabilities are measured at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

- **Compound financial instruments**
  The components of compound financial instruments issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

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At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The amount classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured.

- **Impairment**

  The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost and trade receivables.

  The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses.

- **De-recognition of financial assets and financial liabilities**

  The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Consolidated Statement of Profit and Loss.

  A financial liability (or a part of a financial liability) is derecognised from the group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

- **Fair value of financial instruments**

  In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value and such value may actually not be realized at that amount.

2.7 Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2.6 above, the Group is required to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these Consolidated Financial Statements and the reported amounts of revenues and expenses for the years presented, that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Creixent Special Steels Limited

Key sources of estimation uncertainties

Useful lives and residual value 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, the estimated usage of the asset, the operating condition of the asset, anticipated technological changes, historical planned and scheduled maintenance etc. It is possible that the estimates made based on existing experience are different from the actual outcomes within the next financial periods and could cause a material adjustment to the carrying amount of property, plant and equipment.

Impairment of property, plant and equipment

Determining whether the property, plant and equipment are impaired requires an estimate for the recoverable value of property, plant and equipment. The recoverable value computation by fair value method using cost approach involves Management relying on third party quotations of similar assets, expert's data bank for construction rates and the indices, as considered by its independent valuation expert in arriving at the fair value. Any subsequent changes in the above input factors could impact the carrying value of property, plant and equipment.

Impairment of investments in joint- ventures and associates

Determining whether the investments in joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the management have anticipated the businesses/operations of the investee companies. Any subsequent changes to the cash flows due to changes in the operations mentioned above could impact the carrying value of investments.

Provisions and contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events. The management of the Parent used significant judgment, basis the legal opinion from an independent expert, with regards to interpretation of the National Company Law Tribunal's order for establishing extinguishment of contingent liabilities.

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.

2.9 Recent Indian Accounting Standards (Ind AS): -

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2021.

Creixent Special Steels Limited

Creixent Special Steels Limited
Statement of Consolidated Cash flows for the year ended 31 March 2021
(Amount in Rupees crores, unless otherwise stated)

3. Property, plant and equipment

Particulars	Freehold Land & Site Development	Leasehold Land	Other Buildings	Plant and equipment	Office Equipments	Furniture and Fixtures	Vehicles	Aircraft	Total
As at 31 March 2019	346.79	-	239.13	2,910.75	1.21	2.77	0.99	9.31	3,510.95
Additions	-	-	2.32	56.32	1.35	0.19	3.34	-	63.52
Disposals	-	-	-	-	-	-	0.32	-	0.32
Translation reserve	-	-	0.11	-	-	0.02	-	0.37	0.50
Transfer to held for sale	(0.16)	-	-	-	-	-	-	-	(0.16)
As at 31 March 2020	346.63	-	241.56	2,967.07	2.56	2.98	4.01	9.68	3,574.49
Additions	-	-	4.66	155.06	1.39	0.69	0.82	-	162.62
Disposals	-	-	2.46	3.47	-	0.26	0.25	1.86	8.30
Re-classification	(16.37)	16.37	-	-	-	-	-	-	-
Transfer to ROU assets (refer note 40)	-	(16.37)	-	-	-	-	-	-	(16.37)
Transfer to held for sale (refer note 36)	-	-	-	-	-	-	-	(7.82)	(7.82)
Translation reserve	-	-	-	-	-	-	-	-	-
As at 31 March 2021	330.26	-	243.76	3,118.66	3.95	3.41	4.58	-	3,704.62
Accumulated depreciation									
As at 31 March 2019	1.70	-	5.54	117.05	0.42	0.35	0.10	0.87	126.03
Depreciation charge for the year		-	9.59	201.37	0.34	0.56	0.28	0.30	212.44
Disposals	-	-	-	-	-	-	0.04		0.04
Translation reserve	-	-	0.003	-	-	-	-	0.07	0.07
As at 31 March 2020	1.70	-	15.13	318.42	0.76	0.91	0.34	1.24	338.50
Depreciation charge for the year	-	-	19.61	205.93	0.46	0.42	0.67	1.68	222.77
Disposals	-	-	1.27	0.05	-	0.14	0.22	-	1.68
Transfer to held for sale (refer note 36)	-	-	-	-	-	-	-	(2.92)	(2.92)
As at 31 March 2021	1.70	-	27.47	524.30	1.22	1.19	0.79	-	556.67
Net carrying value :									
As at 31 March 2021	328.56	-	216.29	2,594.36	2.73	2.22	3.79	-	3,147.95
As at 31 March 2020	344.93	-	226.43	2,648.65	1.80	2.07	3.67	8.44	3,235.99

Notes:

i. Property, plant and equipment pledged as security

Refer to note 19 for information on certain property, plant and equipment pledged as security by the Group.

ii. During the current year, in view of losses, the management has assessed the recoverable value of property, plant and equipment of Raigarh and Raipur locations with the help of independent valuation expert and concluded that no additional provision for impairment is necessary.

4. Intangible assets

Particulars	Rights under operation & Maintenance contract
As at 31 March 2019	37.50
Additions	-
Disposals	-
As at 31 March 2020	37.50
Additions	-
Disposals	-
As at 31 March 2021	37.50
Amortisation	
As at 31 March 2019	-
Amortisation for the year	-
As at 31 March 2020	-
Amortisation for the year	2.81
As at 31 March 2021	2.81
Net carrying value :	
As at 31 March 2021	34.69
As at 31 March 2020	37.50

Creixent Special Steels Limited
Notes to Consolidated Financial Statements as at and for the year ended 31 March 2021
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5. Investments in joint ventures

	31 March 2021	31 March 2020
a. Investments in equity shares		
Investments in joint ventures (unquoted)		
Monnet Ecomaister Enviro Private Limited	-	-
14,211,363 (March 31, 2020 : 14,211,363) Equity shares of Rs.10 each fully paid up		
Mandakini Coal Company Limited	-	-
39,299,800 (March 31, 2020 : 39,299,800) Equity shares of Rs.10 each fully paid up		
MP Monnet Mining Company Limited	-	-
980,000 (March 31, 2020 : 980,000) Equity shares of Rs.10 each fully paid up		
Urtan North Mining Company Limited	-	-
5,751,347 (March 31, 2020 : 5,751,347) Equity shares of Rs.10 each fully paid up		
	-	-
Less: investments classified as held for sale (refer note i below)		
Monnet Ecomaister Enviro Private Limited	-	-
14,211,363 (March 31, 2020 : 14,211,363) Equity shares of Rs.10 each fully paid up		
	-	-
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate value of unquoted investments	-	-

Note:

i. Post board approval dated 21 January 2019, the Group has entered into an MOU with Ecomaister Company Limited, South Korea for transfer of its holding in JV company Monnet Ecomaister Enviro Private Limited for a for a total consideration of Rs 10,000 (Rupees Ten Thousand). Accordingly, the investment has been classified as held-for-sale. the post impairment carrying value of thsi investment was Rs.Nil.

6. Investments

	31 March 2021	31 March 2020
a. Investments at fair value through OCI (non-current)		
Investment in equity shares (quoted)		
Interactive Financial Services Limited (IFSL)	0.05	0.05
1,300,000 (March 31, 2020 : 1,300,000) Equity shares of Re.1 each fully paid up		
Aditya Birla Capital Limited	0.03	0.01
2,100 (March 31, 2020 : 2,100l) Equity shares of Rs.10 each fully paid up		
Aditya Birla Fashion & Retail Limited	0.10	0.08
5,200 (March 31, 2020 : 5,200) Equity shares of Rs.10 each fully paid up		
Grasim Industries Limited	0 22	0.07
1,500 (March 31, 2020 : 1,500) Equity shares of Rs.10 each fully paid up		
XL Energy limited (formerly XL Telecom Limited)	*	*
166,808 (March 31, 2020 : 166,808) Equity shares of Rs 10 each fully paid up		
Kamanwala Housing Construction Limited	0.03	0.03
63,343 (March 31, 2020 : 63,343) Equity shares of Rs.10 each fully paid up		
Indiabulls Real Estate Limited	0.19	0.10
25,000 (March 31, 2020 : 25,000) Equity shares of Rs.10 each fully paid up		
RattanIndia Infrastructure Limited	0.04	0.02
73,750 (March 31, 2020 : 73,750) Equity shares of Rs.10 each fully paid up		
Yaarii Digital Integrated Services Limited (formerly known as Indiabull Integrated Services Limited)	0.04	0.01
3,125 (March 31, 2020 : 3,125) Equity shares of Rs.10 each fully paid up		
Bellary Steel and Alloys Limited	0.15	0.15
803,243 (March 31, 2020 : 803,243) Equity shares of Re.1 each fully paid up		
Pioneer Investment Limited	0.06	0.07
23,392 (March 31, 2020 : 23,392) Equity shares of Rs.10 each fully paid up		
Neueon Towers Limited (formerly known as Sujana Towers Limited)	##	#
12,500 (March 31, 2020 : 12,500) Equity shares of Rs.10 each fully paid up		
Orrisa Sponge Iron & Steel Limited	-	-
1,994,633 (March 31, 2020 : 1,994,633) Equity shares of Rs.10 each fully paid up		
Nu Tek India Limited	-	-
480,000 (March 31, 2020 : 480,000) Equity shares of Rs.5 each fully paid up		
Monnet Power Co Limited **	-	-
(March 31, 2020 : 220,101,460) Equity shares of Rs.10 each fully paid up		
	0.92	**0.59**
(b) Investment at fair value through profit or loss (current)		
Investment in mutual funds (unquoted)		
SBI MF Magnum Tax Gain	0.25	0.16
55,123 (March 31, 2020 : 55,123) units		
Nippon India Mutual fund ETF liquid BeES	-	-
26 (March 31, 2020 : 26) units		
	1.17	**0.75**
Aggregate book value of quoted investments	**0.92**	**0.59**
Aggregate market value of quoted investments	**0.92**	**0.59**
Aggregate value of unquoted investments	**0.25**	**0.16**

* Rs.41,702 # Rs. 3,750 ## Rs. 10,750

** Monnet Power Company Limited, ceased to be an associate of the Company w.e.f. 23 October 2019 upon initiation of its liquidation as per Insolvency and Bankruptcy Code for liquidation of the Corporate Debtor.

Creixent Special Steels Limited

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Notes to Consolidated Financial Statements as at and for the year ended 31 March 2021
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7. Other financial assets (Non current)

	31 March 2021	31 March 2020
Bank deposits (having maturity more than 12 months)*	59.19	4.69
Security deposits (Unsecured unless otherwise stated, considered good)	6.30	6.93
Other receivables	0.00	12.73
	65.49	**24.35**
*Lien marked bank deposits	**58.66**	**4.69**

8. Current tax assets (net)

	31 March 2021	31 March 2020
Income tax paid (net of provision for tax)	4.31	3.25
	4.31	**3.25**

9. Other non-current assets

	31 March 2021	31 March 2020
Capital advances		
Unsecured unless otherwise stated, considered good	14.20	18.51
Other loans and advances (Unsecured unless otherwise stated, considered good)		
Advance to gratuity fund (refer note 39)	0.79	-
Advance to suppliers	4.69	-
Other advances	2.54	3.39
Less: Provision for Impairment	-	(0.55)
Total	**22.22**	**21.35**

10. Inventories
(Valued at the lower of cost and net realizable value)

	31 March 2021	31 March 2020
Raw materials (includes goods in transit Rs.37.74 crores (31 March 2020: Rs. 15.01 crores))	442.21	337.72
Work-in-progress	5.98	4.95
Finished goods	364.53	369.97
Stores and spares (Includes goods in transit Rs.Nil (31 March 2020: Rs.0.69 crores))	113.60	146.17
	926.32	858.81
Less : Provision for impairment of inventory	(1.29)	(1.32)
Total	**925.03**	**857.49**

Note:
I. Inventory of finished goods includes inventory aggregating to Rs.Nil (PY Rs. 314.51 crores) valued at net realisable value. Write-down of inventories arising out of the above amounting to Rs.Nil (PY Rs. 36.38 crores) has beeen recoginised as an expense during the year.

II. Inventories for one plant of the subsidiary, i.e. Raigarh plant have been pledged as security against certain bank borrowings, details relating to which has been described in note 19.

11. Trade receivables

	31 March 2021	31 March 2020
Trade receivables - Unsecured unless otherwise stated, considered good	188.67	51.77
Trade receivables which have significant increase in credit risk	0.58	-
Less: allowances for doubtful debts	(0.58)	-
Trade receivables – credit impaired	0.84	0.15
Less: allowances for doubtful debts	(0.84)	(0.15)
Total	**188.67**	**51.77**
Dues from directors or companies where directors are interested	-	-

The credit period on sale of goods ranges from 30 to 90 days.

Ageing of receivables that are past due but not impaired

Particulars	31 March 2021	31 March 2020
90-180 days	1.19	4.79
> 180 days	0.69	1.19
Total	1.88	5.98

Creixent Special Steels Limited

(Amount in Rupees crores, unless otherwise stated)

Movement in the expected credit loss allowance

Particulars	31 March 2021	31 March 2020
Balance at the beginning of the year	0.15	-
Change in loss allowance (net of those derecognised due to settlement)	1.27	0.15
Balance at the closing of the year	**1.42**	**0.15**

Part of trade receivables have been given as collateral towards borrowings details relating to which has been described in note 19.
For credit risk management regarding trade receivables, refer note 45 (5).
Trade receivables from related parties details have been disclosed in note 42.

12. Cash and bank balances

	31 March 2021	31 March 2020
12 a. Cash and cash equivalents :		
Balances with banks		
In current accounts	13.44	35.01
In bank deposits with maturity less than 3 months at inception	-	1.04
Cash on hand	0.08	0.06
	13.52	**36.11**
12 b. Bank balances other than above		
Earmarked bank balances *	0.10	0.11
Other bank deposits with maturity more than 3 months but less than 12 months at inception	94.59	73.46
Other bank deposits with maturity more than 3 months but less than 12 months at inception (lien marked) #	21.70	56.66
	116.39	**130.23**

Notes:
* Earmarked bank balances pertaining to unclaimed dividend.
\# Other bank deposits are provided as collateral against credit facilities.

13. Derivative assets

	31 March 2021	31 March 2020
Forward contracts (refer note 45.4)	0.23	7.75
	0.23	**7.75**

14. Loans

	31 March 2021	31 March 2020
Loans		
- to related parties* (refer note 42)	0.15	0.14
- to others	-	0.36
Less: allowane for doubtful loans	(0.15)	(0.14)
Total	-	**0.36**

* Loans are given for business purpose

Note :

Loans receivable - Unsecured unless otherwise stated, considered good	0.15	0.50

15. Other financial assets (current)

	31 March 2021	31 March 2020
Interest accrued on deposits and loans	2.06	1.45
Other receivables	12.73	-
	14.79	**1.45**

16. Other current assets (unsecured, unless otherwise stated, considered good)

	31 March 2021	31 March 2020
Advances to suppliers	239.92	103.02
Advance to employees	0.35	0.42
Prepaid expenses	12.57	10.68
Balance with indirect tax authorities	21.42	21.04
Less: Provision for Impairment	(1.01)	-
Others	10.47	-
Total	**283.72**	**135.16**

Creixent Special Steels Limited

(Amount in Rupees crores, unless otherwise stated)

17. Equity share capital

Particulars	31 March 2021		31 March 2020	
	No. of shares	Amount	No. of shares	Amount
(a) Authorised:				
Equity shares of the par value Rs. 10 each	15,000,000	15.00	15,000,000	15.00
(b) Issued and subscribed				
Equity shares of Rs. 10 each, fully paid up	10,000,000	10.00	10,000,000	10.00
	10,000,000	**10.00**	**10,000,000**	**10.00**

(c) Reconciliation of number of shares outstanding at the beginning and at the end of the period/ year

Outstanding as at the 31 March 2019	**10,000,000**	**10**
Add: changes during the year	-	-
Outstanding as at the 31 March 2020	**10,000,000**	**10**
Add: changes during the year	-	-
Outstanding as at the 31 March 2021	**10,000,000**	**10**

(d) Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive assets of the Company remianing after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shareholders holding more than 5% shares in the Company are set out below:

Particulars	31 March 2021		31 March 2020	
	No. of Shares	% of shares	No. of Shares	% of shares
JSW Steel Limited	4,800,000	48.00%	4,800,000	48.00%
AION Investments Private II Limited	5,200,000	52.00%	5,200,000	52.00%

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18. Other equity	31 March 2021	31 March 2020
I. Reserves and surplus		
a) Retained earnings	(436.45)	(465.71)
b) Fair valuation difference on financial instuments	44.96	44.96
c) Capital reserve on bargain purchase	475.80	475.80
II. Other comprehensive income		
a) Foreign currency translation reserve	(0.82)	(4.31)
b) Equity instruments through other comprehensive income	0.14	(0.08)
	83.63	**50.66**

a) Retained earnings
Retained earnings are the profits or losses that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the group.

b) Capital reserve on bargain purchase
The reserve is created pursuant to the acquisition of business being the difference of liabilities and assets acquired.

c) Foreign currency translation reserve
Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Indian rupees) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

d) Equity instruments through other comprehensive income
The Group has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of the equity instruments.

e) Fair valuation difference on financial instuments
The Group has issued Redeemable Preference Shares (RPS) during the period ended 31 March 2019. The Group has computed the liability portion of RPS as the present value of the contractual obligations associated with the instrument and the difference between the issue amount of the RPS and the liability so computed has been treated as the 'Fair valuation difference on financial instuments issued to owners' and grouped under other equity.

Creixent Special Steels Limited

(Amount in Rupees crores, unless otherwise stated)

19. Borrowings
(measured at amortized cost)

	Non-current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
A. Long term borrowings				
a. Term Loan				
i. Secured				
From banks	2,210.85	2,448.63	-	-
Less: Unamortised upfront fees on borrowing	(18.30)	(20.56)	-	-
	2,192.55	2,428.07	-	-
Less: Current maturities of long term debt (refer note 24)	(44.22)	(301.54)	-	-
	2,148.33	2,126.53	-	-
ii. Unsecured				
-From a related party	128.03	126.05	-	-
Less: current maturities of long term debt (refer note 24)	(0.25)	-		
b. Non-convertible debentures (unsecured)				
Non-convertible debentures redeemable at par	186.30	186.30	-	-
c. Liability component of financial instruments (unsecured)				
0.01% cumulative non-convertible redeemable preference shares	310.32	310.32	-	-
Total (A)	**2,772.73**	**2,749.20**		
A. Short term borrowings				
a. Short term loan				
i. Unsecured				
From a related party	-	-	89.50	89.50
b. Working capital facility				
Secured				
From a bank	-	-	135.23	278.13
Total (B)	-	-	**224.73**	**367.63**
Total (A+B)	**2,772.73**	**2,749.20**	**224.73**	**367.63**

Type of loan	Loan outstanding		Rate of interest	Security Guarantee	Repayment terms
	31 March 2021	31 March 2020			
Non-convertible debentures	186.30	186.30	0.01%	N.A.	0.01% non-convertible debentures (NCDs) of Rs.1,000,000 each aggregating to Rs.186.30 crores and are redeemable on 28 August 2025 at a fixed premium of Rs.5.20 crores and a variable premium such that yield on the redemption principal and fixed premium is equal to the redemption YTM of 12% p.a.
0.01% Preference share capital	310.32	310.32	0.01%	N.A.	A. 0.01% redeemable preference shares-1 (RPS-1) having face value of Rs.10 each aggregating to Rs.171.97 crores and are redeemable on 27 27 August 2038 at a fixed premium of Rs.4.80 crores and a variable premium such that yield on the redemption principal and fixed premium is equal to the redemption YTM od 12% p.a. B. 0.01% redeemable preference shares-2 (RPS-2) having face value of Rs.10 each aggregating to Rs.198.30 crores and are redeemable on 27 August 2038 at a variable premium such that yield on the redemption premium is equal to the redemption YTM of 10% p.a.
Rupee loans from banks	2,210.85	2,147.09	3 month MCLR + 10 bps	Secured by first charge on all immovable and movable fixed assets (present & future) of the Raigarh plant and second charge on all current assets of the Raigarh plant.	Repayable in 36 structured quarterly instalments, starting from the end of 39th month from the date of first disbursement, i.e. 31 August 2018.
Loan from a related party (Unsecured)	128.03	126.05	SBI 1 year MCLR + 200 bps or 10% whichever is higher	N.A.	A. Loan amounting to Rs. 125 crore repayable in 9 equal annual instalments of Rs. 13.89 Crore, starting from 31 August 2024 and ending at 31 August 2032. B. Loan amounting to Rs.0.25 crores is repayable on 26 February 2022. C. Loan amounting to Rs.2.00 crores is repayable on 7 November 2022. D. Loan amounting to Rs.0.78 crores is repayable on 27 August 2023.
Short term loan from a related party (Unsecured)	89.50	89.50	SBI 1 year MCLR + 200 bps or 10% whichever is higher	N.A.	On demand
Working capital facility	135.23	278.13	1 Year MCLR	Secured by first charge on entire current assets (both present and future) and second charge on all immovable and movable fixed assets of a subsidiary of the Group.	On demand
Term Loan-Bank Loan (refer note - 34 (1))	-	301.54	3 Month Libor + 3.5%	1)First and exclusive pledge of shares of PT Sarwa Sembada Karya Bumi held by the Group. 2)Charge over the shareholder's loan extended by Monnet Global Limited to PT Sarwa Sembada Karya Bumi. 3)Assignment and charge over the coal sale contract entered into between the Group and PT Sarwa Sembada Karya Bumi.	On demand

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20. Lease liabilities

	Non-current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Lease liabilities (refer note-40)	27.16	28.85	0.46	0.98
	27.16	**28.85**	**0.46**	**0.98**

21. Provisions

	Non-current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Provision for employee benefits				
Provision for gratuity (Refer note 39)	-	-	-	0.06
Provision for compensated absences (Refer note 39)	5.60	4.64	0.88	0.78
	5.60	**4.64**	**0.88**	**0.84**

22. Trade payables

	31 March 2021	31 March 2020
Acceptances	523.64	258.20
Other than acceptances		
- total outstanding dues of micro and small enterprises; (refer note 44)	0.04	1.35
- total outstanding dues of creditors other than micro and small enterprises	256.97	230.43
Total	**780.65**	**489.98**

Note:

i. Acceptances include credit availed by the Group from banks for payment to suppliers for raw materials purchased by the Group. The arrangements are interest-bearing and are payable within one year.

ii. Trade payables are non-interest bearing and are normally settled within 90 days except for SME's which are settled within 45 days.

iii. Trade payables from related parties details has been disclosed in note 42.

For explanations on the Group's credit risk management processes, refer to Note 45.

23. Derivative Liabilities

	31 March 2021	31 March 2020
Forward contracts (refer note - 45.4)	2.23	0.20
	2.23	**0.20**

24. Other financial liabilities (Current)
(at amortised cost):

	Non-current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Current maturities of long term debt (refer note 19)	-	-	44.47	301.54
Interest accrued but not due on borrowings	34.18	-	13.10	67.94
Payable for capital projects				
Acceptances	-	-	30.75	27.11
Other than acceptances	-	-	15.98	19.05
Security deposits and retention money	-	-	13.28	11.06
Unclaimed dividends	-	-	0.11	0.11
Premium on redemption of non-convertible debentures	66.17	38.19	-	-
Premium on redemption of preference shares	121.83	62.94	-	-
Others	-	-	30.41	22.04
	222.18	**101.13**	**148.10**	**448.85**

25. Other current liabilities

	31 March 2021	31 March 2020
Advance from customers	68.27	16.97
Statutory dues	36.30	12.07
Export obligation deffered Income	5.43	3.83
	110.00	32.87

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26. Income taxes

Pursuant to the Taxation law (Amendment) Ordinance, 2019 ('Oridnance') subsequently amended in Finance Tax issued by ministry of Law and Justice on 20 September 2019 which was effective 1 April 2019 domestic Companies have the option to pay corporate income tax at 22% plus applicable surcharge and cess subject to certain conditions. The Companies of the Group basis the impact assessment of Ordinance has decided to continue with the existing tax structure. MAT is assessed on book profits adjusted for certain items allowed under the income tax provisions. The rate of MAT for the year ended 31 March 2020 is 21.34%. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen year in which MAT credit arises subject to the limits prescribed.

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year indicated are as follows :

Particulars	For the period ended 31 March 2021	For the period ended 31 March 2020
Loss before tax	127.62	(553.60)
Enacted tax rate in India *	34.94	34.94
Expected tax benefit at statutory tax rate	50.84	(188.82)
Effect of different tax rates of subsidiaries in other jurisdictions	6.25	6.56
Expenses not deductible in determining taxable profits	-	0.01
Income exempt from taxation	-	1.42
Deferred tax assets not recognised	(65.93)	176.21
Total	(8.84)	(4.62)
Effective tax rate	-6.93%	0.83%

* For enacted tax rate in India, the tax rate applicable to significant component of the Group i.e., JSW Ispat Special Products Limited, has been considered.

The Group has not recognised MAT credit amounting to Rs.18.25 crores (Rs.2.42 crores relating to AY 2010-11 and Rs.15.83 Crores relating to AY 2014-15) pertaining to the business acquired during the period due to uncertainty regarding utilisation within the stipulated period of 15 years.

Deferred tax balance in relation to	As at 31 March 2020	Recognised / (reversed) through profit and loss	Recognised / (reversed) through other comprehensive loss	As at 31 March 2021
Property, plant and equipment	(346.75)	(48.94)	-	(395.69)
Intangible assets	(13.10)	0.98	-	(12.12)
Carried forward business loss / unabsorbed depreciation	328.36	50.78	-	379.14
Derivatives	(2.64)	3.34	-	0.70
Provision for impairment of inventories	18.28	(4.03)	-	14.25
Provision for employee benefits / loans	1.72	(0.96)		0.76
Equity component of financial instruments	(13.98)	0.65		(13.33)
Premium accrued on liability component of financial instruments	6.11	7.21		13.32
Finance lease obligations	0.09	0.03		0.12
Unamortised upfront fees on borrowings	0.95	(0.22)	-	0.73
Total deferred tax (liabilities)/ assets	**(20.96)**	**8.84**	-	**(12.12)**

Deferred tax balance in relation to	As at 31 March 2019	Recognised / (reversed) through profit and loss	Recognised / (reversed) through other comprehensive loss	As at 31 March 2020
Property, plant and equipment	(304.16)	(42.59)	-	(346.75)
Intangible assets	(13.10)	-	-	(13.10)
Carried forward business loss / unabsorbed depreciation	270.17	58.19	-	328.36
Derivatives	-	(2.64)	-	(2.64)
Provision for impairment of inventories	40.00	(21.72)	-	18.28
Provision for employee benefits / loans	1.00	0.72	-	1.72
Borrowings	(7.00)	7.00	-	-
Equity component of financial instruments	(14.62)	0.64	-	(13.98)
Premium accrued on liability component of financial instruments	2.13	3.98	-	6.11
Finance lease obligations	-	0.09	-	0.09
Unamortised upfront fees on borrowings	-	0.95	-	0.95
Total deferred tax (liabilities)/ assets	(25.58)	4.62	-	(20.96)

Expiry schedule of losses on which deferred tax assets is not recognised is as under:

Expiry of losses (as per local tax laws) - Financial year	2021-22	2022-23	2023-24	2024-25	5 years & Beyond	Indefinite	Total
Business losses	170.45	87.18	1,108.21	227.93	673.55	-	2,267.32
Unabsorbed depreciation	-	-	-	-	-	4,702.73	4,702.73
Long term capital losses	3.30	-	19.10	-	303.03	-	325.43
Total	173.75	87.18	1,127.31	227.93	976.58	4,702.73	7,295.48

Based on legal advice from an independent expert, the management is of the view that vide NCLT order dated July 24, 2018 in response to the Resolution Plan submitted by the consortium of JSW Steel Limited and AION Investments Private II Limited for acquisition of Monnet Ispat and Energy Limited ("MIEL") under the Insolvency Bankruptcy Code, 2016 ("NCLT Order"), the Group will be entitled to carry forward the aforementioned accumulated losses of MIEL pertaining to the period prior to acquisition and off-set the same against the future taxable income of MIEL.

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27. Revenue from operations

	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of products	4,145.56	2,608.79
Sale of services	4.59	0.25
	4,150.15	**2,609.04**
Other operating revenues		
Sale of scrap	26.51	23.49
Export incentives	11.09	6.91
	37.60	**30.40**
Total	**4,187.75**	**2,639.44**

The Group has assessed and determined the following categories for disaggregation of revenue:

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Revenue from contracts with customer - Sale of products	4,145.56	2,608.79
Revenue from contracts with customer - Sale of services	4.59	0.25
Other operating revenue	37.60	30.40
Total revenue from contracts with customers	**4,187.75**	**2,639.44**
India	3,895.21	2,392.97
Outside India	292.54	246.47
Total revenue from contracts with customers	**4,187.75**	**2,639.44**
Timing of revenue recognition		
At a point in time	4,187.75	2,639.44
Over a period of time	-	-
Total revenue from contracts with customers	**4,187.75**	**2,639.44**

Product Wise	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Sponge Iron	1,265.12	1,176.82
Pellets	849.87	503.37
Structure/ TMT	872.21	452.87
Billets	432.09	228.58
Ferro Alloys	137.34	144.89
Pig Iron	490.06	93.87
Others	141.06	39.04
Total	**4,187.75**	**2,639.44**

Contract Balances

Particulars	**As at**	
	31 March 2021	**31 March 2020**
Trade receivables	188.67	51.77
Contract liabilities (Advance from customers)	68.27	16.97

The Group does not have any significant adjustments between the contracted price and revenue recognised in the consolidated statement of profit & loss.

The performance obligation is satisfied based on the terms of sale, normally, upon delivery of the goods and payment is generally due within 30 to 90 days from delivery.

There is no warranty clause for goods sold by the Group.

Amount of revenue recognized from amounts included in the contract liabilities at the beginning of the year Rs. 16.97 crores (previous year Rs. 20.13 crores).

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28. Other income

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest Income earned on financial assets that are not designated as FVTPL		
Bank deposits	7.67	9.35
Other interest income	1.29	2.20
Rent received	1.50	1.51
Fair value gain arising from financial instruments designated as FVTPL	0.23	7.55
Liabilities written back	2.42	4.68
Other miscellaneous income	2.62	0.99
Total	**15.73**	**26.28**

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

	For the year ended 31 March 2021	For the year ended 31 March 2020
Inventories at the beginning of the year		
Finished goods	369.97	334.71
Work-in-process	4.95	5.73
Total Inventories at the beginning of the year (A)	**374.92**	**340.44**
Inventories at the end of the year		
Finished Goods	364.53	369.97
Work-in-process	5.98	4.95
Total Inventories at the end of the year (B)	**370.51**	**374.92**
Total (C = A-B)	**4.41**	**(34.48)**

30. Employee benefits expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and amenities	106.98	107.24
Contribution to provident fund and other funds (refer note 39)	6.55	7.72
Staff welfare expenses	2.05	2.04
Total	**115.58**	**117.00**

31. Finance Costs

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expenses on borrowings	253.90	244.51
Other ancillary borrowing costs	18.79	5.68
Premium on redemption of debentures	27.98	24.88
Premium on redemption of preference shares	58.89	40.88
Unwinding of interest on financials liabilities (carried at amortised cost)	3.00	2.73
Interest expense on lease liabilities	0.23	0.45
Other charges	0.16	0.05
Total	**362.95**	**319.18**

32. Depreciation and amortisation expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipments (refer note 3)	222.77	212.43
Amortisation of intangible asset (refer note 4)	2.81	-
Depreciation of right of use assets	0.22	0.84
	225.80	**213.27**

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33. Other expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
Stores and spares consumed	172.27	124.09
Distribution expenses	104.79	79.50
Wages & labour charges	50.93	44.39
Repairs & maintenance		
- Machinery	17.58	18.46
- Building	2.62	2.38
- Others	11.39	2.02
Legal & professional charges	12.15	12.79
Water charges	8.56	9.01
Insurance charges	9.75	8.68
Security service charges	6.61	8.06
Lease rent & hire charges	1.00	1.90
Foreign exchange fluctuation (net)	4.30	4.24
Fair value gain arising from financial instruments designated as FVTPL	9.89	-
Allowance for doubtful debts	0.58	-
Loss on sale of property, plant and equipment	1.50	-
Rates & Taxes	1.09	0.57
Balances written off	9.01	-
Allowance for doubtful advances	0.14	1.80
Miscellaneous expenses	24.85	19.97
	449.01	**337.86**

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34. Exceptional Items (net)

	For the year ended 31 March 2021	For the year ended 31 March 2020
i. Gain on settlement of loan outstanding with a bank (note 1)	275.90	-
ii. Gain on settlement of Interest outstanding on loan as mentioned above (note 1)	42.60	-
iii. Loss towards reassessment of realizable value (note 2)	(22.58)	-
iv. Gain on forfeiture of advance received from a buyer (note 3)	18.61	-
	314.53	-

Notes:

1. Gain of Rs. 318.50 Crore on settlement of loan outstanding of Rs. 294.29 Crore and interest due thereon of Rs. 42.60 Crore at Rs. 18.39 Crore, pursuant to a settlement agreement entered into with its lender.

2. Loss of Rs. 22.58 Crore towards reassessment of realizable value of assets held for sale pursuant to agreement entered into for sale of a subsidiary.

3. Gain of Rs. 18.61 Crore on forfeiture of advance received from buyer pursuant to cancellation of agreement entered into for sale of a subsidiary.

35. Earnings per share (EPS)

Particulars	**31 March 2021**	**31 March 2020**
Profit / (loss) for the year as per Statement of Profit & Loss attributable to equity shareholders [A] (Rs. in crores)	28.27	(293.67)
Weighted average number of equity shares in calculating basic EPS (In Nos.) [B]	10,000,000	10,000,000
Effect of dilution:	-	-
Weighted average number of equity shares in calculating diluted EPS [C]	**10,000,000**	**10,000,000**
Earnings per equity share in Rs.		
Basic [A/B]	28.27	(293.67)
Diluted [A/C]	28.27	(293.67)
Face value of each equity share in Rs.	**10**	**10**

36. Assets held for sale

	31 March 2021	**31 March 2020**
Investment in equity shares of Monnet Ecomaister Enviro Private Limited (refer note I below)	0.001	0.001
Assets of Monnet Cements Limited (refer note II below)	-	0.17
Assets of PT Sarwa Sembada Karya Bumi (refer note III below)	7.37	32.34
Advance for properties	-	5.96
Aircrafts (refer note IV below)	4.90	-
Total assets	**12.27**	**38.47**
Liabilities		
Liabilities of Monnet Cements Limited (refer note II below)	-	0.003
Liabilities of PT Sarwa Sembada Karya Burmi (refer note III below)	0.02	3.29
Total liabilities	**0.02**	**3.29**

I. A subsidiary of the Group had entered into an MOU with Ecomaister Company Limited, South Korea for transfer of its holding in JV company Monnet Ecomaister Enviro Private Limited having an intial carrying value of Rs.14.21 crores (provision of Rs. 14.21 crores, hence net book value is zero) for a total consideration of Rs. 10000 (Rupees Ten Thousand). Accordingly, the Group had measured the said investment at lower of its carrying amount and fair value less costs to sell and classified it as held-for-sale.

II. Assets and liabilities of Monnet Cement Limited, resolved to be sold in previous year, have ceased to be classified as held for sale, pursuant to change in the plans during the current year.

III. In board meeting held on 21 October 2019 , resolution was passed to sale entire stake in PT Sarwa Sembada Karya Bumi. Accordingly, the Group has re-classified its assets and liabilities as held for sale.

IV. In the Board Meeting held on 19 January 2021, the subsidiary's Board had approved to sell the aircraft. Accordingly, the subsidiary Company has entered into letter of intent with Nav Durga Aviation Privete Limited and has measured the aircraft at lower of its carrying amount or fair value less costs to sell and has classified it as held-for-sale.

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37. Material partly-owned subsidiaries

Name	Country of Incorporation	Ownership interest of Creixent Special Steels Limited		Principal Activity
		As at 31 March 2021	As at 31 March 2020	
Monnet Global Limited	U.A.E.	48.12%	48.12%	Manufacturing company
JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited)	India	48.12%	48.12%	Manufacturing company
Monnet Cement Limited	India	48.11%	48.11%	Manufacturing company
Pt. Sarwa kembada Karya bumi	Indonesia	48.12%	48.12%	Mining company
LLC Black Sea Natural resources	Republic of Abkhazia	48.12%	48.12%	Mining company
Khasjamada Mining Company	India	NA	47.64% (upto October 5, 2019)	Mining company

Accumulated balances of Non-controlling interests	**As at 31 March 2021**	**As at 31 March 2020**
JSW Ispat Special Products Limited	497.83	551.00
Pt. Sarwa Sembada Karya Bumi (subsidiary of Monnet Global Limited)	(1.13)	(0.08)
Total comprehensive loss allocated to material Non-controlling interests		
JSW Ispat Special Products Limited	(53.17)	(255.15)
Monnet Global Limited	(1.05)	(0.12)

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

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Summarised Statement of Profit and loss for the year ended 31 March 2021 and 31 March 2020

	Monnet Global Limited (Consolidated)	JSW Ispat Special Products Limited	Monnet Global Limited (Consolidated)	JSW Ispat Special Products Limited
	31 March 2021	31 March 2021	31 March 2020	31 March 2020
Revenue	-	4,187.74	-	2,638.16
Expenses	2.85	4,305.72	4.07	3,152.29
Profit / (loss) before tax and exceptinoal items for the year	0.01	(104.99)	(4.07)	(488.16)
Exceptional items	314.53	-	-	-
Income tax	-	-	-	-
Loss for the year	(314.52)	(104.99)	(4.07)	(488.16)
Total comprehensive loss	(314.54)	(102.48)	(4.07)	(491.81)
Attributable to non-controlling interests	(1.05)	(53.17)	(0.12)	(255.15)
Dividends paid to non-controlling interests	-	-	-	-

Summarised Balance sheet as at 31 March 2021 and 31 March 2020

	Monnet Global Limited (Consolidated)	JSW Ispat Special Products Limited	Monnet Global Limited (Consolidated)	JSW Ispat Special Products Limited
	31 March 2021	31 March 2021	31 March 2020	31 March 2020
Current assets	9.22	1,550.90	33.06	1,225.22
Non-current assets	-	3,436.46	4.22	3,536.58
Current liabilities	1.01	1,263.58	350.87	989.81
Non-current liabilities	55.95	2,340.27	55.95	2,286.00
Total equity	(46.62)	1,383.51	(369.47)	1,485.99
Attributable to:				
Equity holders of parent	(45.49)	885.68	(369.39)	934.99
Non-controlling interest	(1.13)	497.83	(0.08)	551.00

Summarised Cash flow statement as at 31 March 2021 and 31 March 2020

	Monnet Global Limited (Consolidated)	JSW Ispat Special Products Limited	Monnet Global Limited (Consolidated)	JSW Ispat Special Products Limited
	31 March 2021	31 March 2021	31 March 2020	31 March 2020
Operating	18.07	387.93	0.53	(197.28)
Investing	(16.85)	(82.52)	-	(118.39)
Financing	-	(329.38)	-	185.56
Net increase/(decrease) in cash and cash equivalents	1.22	(23.97)	0.53	(130.11)

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38. Disclosure of significant investments in joint ventures and associates:

1) Disclosure of investment in the following joint ventures :

S.No.	Name	Country of Incorporation	Ownership Interest of Creixent Special Steels Limited (%) 31 March 2021	31 March 2020	Principal activity
1	Mandakini Coal Company Limited	India	16.04%	16.04%	Mining company
2	Urtan North Mining Company Limited	India	16.04%	16.04%	Mining company
3	MP Monnet Mining Company Limited	India	23.58%	23.58%	Mining company
4	Monnet Ecomaister Enviro Private Limited	India	24.06%	24.06%	Manufacturing of PS Balls

2) The group has no material joint ventures. Hence, the financial information of joint ventures has not been disclosed.

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39. Employee benefit plans

Defined Contribution Plans

The Group operates defined contribution retirement benefit plans for all qualifying employees. Under these plans, the Group is required to contribute a specified percentage of payroll costs.

Group's contribution to provident fund & family pension scheme recognised in statement of profit and loss of Rs.6.55 crores (31 March 2020 - Rs.7.72 crores) (refer note 30).

Contribution towards Group owned trust is detailed in Defined benefit plans.

Defined Benefit Plans

The Group sponsors funded defined benefit plans for all qualifying employees. The level of benefits provided depends on the member's length of service and salary at retirement age.

The gratuity plan is covered by The Payment of Gratuity Act, 1972. 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 60. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

The fund is managed by Monnet Ispat & Energy Employees Group Gratuity Trust and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy.

The plans in India typically expose the Group to actuarial risks such as: investment risk, interest rate risk, Asset liability matching risk, mortality risk, concentration risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest risk	A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Mortality risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2021 by Independent, Qualified Actuary. 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.

(I) Gratuity

Changes in the present value of the defined benefit obligation are, as follows:

	31 March 2021	31 March 2020
Defined benefit obligation ('DBO') at the beginning of the year	17.27	13.13
Current service cost	1.70	1.11
Interest cost	1.19	1.02
Benefits paid	(1.84)	(1.23)
Actuarial (gain)/ loss on obligations - OCI	(1.61)	3.24
Defined benefit obligation at the end of the year	**16.71**	**17.27**

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Changes in the fair value of plan assets are, as follows:

	31 March 2021	31 March 2020
Fair value of plan assets at the beginning of the year	17.21	13.17
Contribution by employer	0.50	3.81
Benefits paid	(1.84)	(0.62)
Expected Interest Income on plan assets	1.19	1.02
Actuarial gain/(loss) on plan asset	0.44	(0.17)
Fair value of plan assets at the end of the year	**17.50**	**17.21**

Reconciliation of fair value of plan assets and defined benefit obligation:

	31 March 2021	31 March 2020
Fair value of plan assets	17.50	17.21
Defined benefit obligation	16.71	17.27
Amount recognised in the balance sheet (refer note 9 and 21)	**(0.79)**	**0.06**

Amount recognised in Statement of Profit and Loss:

	31 March 2021	31 March 2020
Current service cost	1.70	1.11
Interest expense	1.19	1.02
Expected return on plan asset	(1.19)	(1.02)
Amount recognised in Statement of Profit and Loss (refer note 30)	**1.70**	**1.11**

Amount recognised in other comprehensive income / (loss):

	31 March 2021	31 March 2020
Actuarial changes arising from changes in demographic assumptions	0.07	-
Actuarial changes arising from changes in financial assumptions	(0.04)	(1.41)
Return on plan assets (excluding amounts included in net interest expense)	0.44	(0.17)
Experience adjustments	1.58	(1.83)
Amount recognised in other comprehensive income / (loss)	**2.05**	**(3.41)**

The major categories of plan assets of the fair value of the total plan assets are as follows:

	31 March 2021	31 March 2020
Gratuity	Funded	Funded
Investment Details		
Investment with Insurance fund	100%	100%

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

	31 March 2021	31 March 2020
Discount rate	6.86%	6.89%
Expected rate of return on Plan assets	6.86%	6.89%
Future salary increases	7.00%	7.00%
Attrition Rate	4.00%	2.00%
Retirement age	60 years	60 years
Mortality rate during employment	Indian assured lives mortality (2006-08) ult	Indian assured lives mortality (2006-08) ult

Sensitivity analysis:-

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

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:-

Gratuity Plan	Sensitivity level		Impact on DBO	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Assumptions				
Discount rate	+ 1%	+ 1%	(1.16)	(1.59)
	- 1%	- 1%	1.32	1.85
Future salary increases	+ 1%	+ 1%	1.31	1.83
	- 1%	- 1%	(1.17)	(1.60)
Withdrawal rate	+ 1%	+ 1%	(0.04)	(0.04)
	- 1%	- 1%	0.04	0.04

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

The following are the maturity analysis of projected benefit obligations:

	31 March 2021	31 March 2020
Within the next 12 months (next annual reporting year)	2.16	1.10
Between 2 and 5 years	4.56	3.29
Beyond 5 years	24.35	35.07
Total expected payments	**31.07**	**39.46**

Each year an asset liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.
The Group is expected to contribute Rs.0.50 crores to its gratuity plan for the next year. The weighted average duration of the plan is 12 years.

(II) Compensated absences

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Group due to death, retirement, superannuation or resignation, Employee are entitled to encash leave while serving in the Group at the rate of daily salary, as per current accumulation of leave days.

Compensated Absences	31 March 2021	31 March 2020
Present value of unfunded obligation (Rs. in crores) (refer note 21)	6.48	5.42
Expenses recognised in Statement of profit and loss (Rs. in crores)	1.06	1.46
Discount rate (p.a.)	6.86%	6.89%
Salary escalation rate (p.a.)	7.00%	7.00%

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40. Leases

Operating Lease commitments - Group as lessee
Lease payments of Re.1 crore (31 March 2020 - Rs.1.90 crores) have been recognized as an expense in the statement of profit and loss.

Lease - Group as a lessee

	31 MARCH 2021	31 MARCH 2020
a. Right of use asset recognised in the balance sheet	43.84	29.58
b. Lease liability recognised in the balance sheet	27.62	29.83
c. Depreciation charged to the statement of profit or loss		
- Land	0.34	0.34
- Building	-	0.50
d. Interest charged to the statement of profit or loss	0.23	0.45
e. Lease payments recognised as expense for the underlying asset is of low value	-	-
f. Lease payments recognised as expense for short term leases	1.00	1.90
g. Total cash flow for leases	0.48	1.04
h. Carrying value of the right of use assets		
- Land	43.84	27.75
- Building	-	1.83
i. Amounts of lease commitments for leases covered other than in point e & f above		
- Not later than one year	0.46	0.98
- Later than one year and not later than five years	1.71	3.02
- Later than five years	25.45	25.83
j. Amounts of lease commitments for leases covered in point e & f above		
- Not later than one year	0.13	1.86
- Later than one year and not later than five years	-	-
- Later than five years	-	-

The weighted average lessees incremental borrowing rate applied to lease liabilities recognised in the Balance sheet on 1 April, 2019 is ranging between 9.5% to 10%.

41. Commitments and contingencies

(a) Commitments

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) of Rs.47.59 crores (31 March 2020 - Rs.26.55 crores)

(ii) Rupee equivalent of export obligation to be completed by 9th February, 2026 under EPCG Scheme Rs. NIL (31 March 2020 - Rs.19.99 crores)

(b) Contingent Liabilities

	31 March 2021	31 March 2020
Performance bank guarantees	104.41	107.13
Claim against the Group not acknowledge as debt	52.00	52.00

Notes:

Pursuant to the corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 initiated on 18 July 2017, the National Company Law Tribunal on 24 July 2018 (Order date) approved (with modifications), the Resolution Plan submitted by the consortium of JSW Steel Limited and AION Investments Private II Limited read with the independent legal opinion obtained by the Group and the recent judgment of Supreme Court of India, all contingent liabilities, commitments, other claims and obligations including all taxes and other government dues standing as on the effective date (i.e. 31 August 2018) and not part of the Resolution Plan, shall stand extinguished.

The Group has already recognised its share of losses equivalent to its interest in the joint ventures and hence, the group has no further exposure. Accordingly, the share in the contigent liability of the joint ventures amounting to Rs. 2.25 crores (as at 31 March 2020 Rs.2.25 crores) is not reckoned with by the Group.

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B. The following transactions were carried out with related parties in the ordinary course of business:-

Related party transactions		The investing party in respect of which the reporting enterprise is a joint venture	Joint Ventures	Other related parties
Sales of goods				
JSW Steel Limited	31st March 2021	157.71	-	-
	31st March 2020	33.59	-	-
JSW Techno Projects Management Limited	31st March 2021	-	-	94.45
	31st March 2020	-	-	-
Bhushan Power and Steel Limited	31st March 2021	-	-	11.36
	31st March 2020	-	-	-
JTPM Atsali Limited	31st March 2021	-	-	5.04
	31st March 2020	-	-	-
Loan taken				
JSW Steel Limited	31st March 2021	1.98	-	-
	31st March 2020	90.30	-	-
Loan repaid				
JSW Steel Limited	31st March 2021	-	-	-
	31st March 2020	-	-	-
Loan given				
Mandakini Coal Company Limited	31st March 2021	-	-	-
	31st March 2020	-	0.14	-
MP Monnet Mining Company Limited	31st March 2021	-	0.01	-
	31st March 2020	-	#	-
Interest accrued on Loan				
JSW Steel Limited	31st March 2021	25.24	-	-
	31st March 2020	16.46	-	-
Purchase of raw material / stores / fixed assets				
JSW Steel Limited	31st March 2021	514.13	-	-
	31st March 2020	145.58	-	-
JSW Steel Coated Products Limited	31st March 2021	-	-	3.41
	31st March 2020	-	-	2.70
GCI Lucchini SPA	31st March 2021	-	-	1.13
	31st March 2020	-	-	4.37
Reimbursement of expenses incurred on our behalf				
JSW Steel Limited	31st March 2021	14.78	-	-
	31st March 2020	0.48	-	-
Reimbursement of expenses incurred by the Group				
JSW Steel Limited	31st March 2021	7.75	-	-
	31st March 2020	2.53	-	-
JSW Steel Coated Products Limited	31st March 2021	-	-	0.30
	31st March 2020	-	-	-
Amba River Coke Limited	31st March 2021	-	-	0.04
	31st March 2020	-	-	-
Premium on redemption of preference shares				
JSW Steel Limited	31st March 2021	58.89	-	-
	31st March 2020	40.88	-	-
Premium on redemption of debentures				
AION Investments Private II Limited	31st March 2021	27.98	-	-
	31st March 2020	24.88	-	-
Interest on debentures				
AION Investments Private II Limited	31st March 2021	0.02	-	-
	31st March 2020	0.02	-	-
Interest on preference shares				
JSW Steel Limited	31st March 2021	0.04	-	-
	31st March 2020	0.04	-	-

The Group maintains gratuity trust for the purpose of administering the gratuity payment to its employees (Monnet Ispat & Energy Employees Group Gratuity Trust). During the year, the Group contributed Rs. 0.50 crores (March 2020 : Rs.3.81 crores)

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C. Balances with related parties

		The investing party in respect of which the reporting enterprise is a joint venture	Joint Ventures	Other related parties
Loan given				
MP Monnet Mining Company Limited*	31st March 2021	-	0.22	-
	31st March 2020	-	0.22	-
Mandakini Coal Company Limited*	31st March 2021	-	6.41	-
	31st March 2020	-	6.41	-
Monnet Ecomaister Enviro Private Limited.*	31st March 2021	-	7.88	-
	31st March 2020	-	7.88	-
Loan taken				
JSW Steel Limited - Loan	31st March 2021	217.53	-	-
	31st March 2020	215.55	-	-
Trade and other payables				
JSW Steel Limited	31st March 2021	70.95	-	-
	31st March 2020	35.54	-	-
Amba River Coke Limited	31st March 2021	-	-	0.20
	31st March 2020	-	-	0.20
Interest payables				
JSW Steel Limited	31st March 2021	44.95	-	-
	31st March 2020	21.57	-	-
AION Investments Private II Limited	31st March 2021	0.01	-	-
	31st March 2020	0.01	-	-
Trade receivables				
JSW Steel Limited	31st March 2021	19.13	-	-
	31st March 2020	5.91	-	-
JSW Steel Coated Products Limited	31st March 2021	-	-	-
	31st March 2020	-	-	0.03
JSW Techno Projects Management Limited	31st March 2021	-	-	55.49
	31st March 2020	-	-	-
Advance to suppliers				
JSW Steel Limited	31st March 2021	50.95	-	-
	31st March 2020	1.89	-	-
JSW Steel Coated Products Limited	31st March 2021	-	-	0.05
	31st March 2020	-	-	-
Bhushan Power and Steel Limited	31st March 2021	-	-	0.81
	31st March 2020	-	-	-
Advance received				
Bhushan Power and Steel Limited	31st March 2021	-	-	0.42
	31st March 2020	-	-	-
Other receivables				
JSW Steel Limited	31st March 2021	7.75	-	-
	31st March 2020	2.53	-	-
JSW Steel Coated Products Limited	31st March 2021	-	-	0.30
	31st March 2020	-	-	-
Amba River Coke Limited	31st March 2021	-	-	0.04
	31st March 2020	-	-	-
Payable for premium on redemption of preference shares not due				
JSW Steel Limited	31st March 2021	121.83	-	-
	31st March 2020	62.94	-	-
Payable for premium on redemption of debentures not due				
AION Investments Private II Limited	31st March 2021	66.17	-	-
	31st March 2020	38.19	-	-
Equity share capital				
JSW Steel Limited	31st March 2021	4.80	-	-
	31st March 2020	4.80	-	-
AION Investments Private II Limited	31st March 2021	5.20	-	-
	31st March 2020	5.20	-	-
Preference share capital				
JSW Steel Limited	31st March 2021	310.32	-	-
	31st March 2020	310.32	-	-
Debentures				
AION Investments Private II Limited	31st March 2021	186.30	-	-
	31st March 2020	186.30	-	-

- Rs.40,000

* Balances receivables from these related parties had been provided in books of accounts.

The Group maintains gratuity trust for the purpose of administering the gratuity payment to its employees (Monnet Ispat & Energy Employees Group Gratuity Trust). As on 31 March 2021, the fair value of plan assets was as Rs.17.50 crores. (As at 31 March 2020: Rs.17.21 crores).

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43. Segment information

The Group is in the business of manufacturing steel products and allied products having similar characteristics and reviewed by the chief operating decision maker for assessment of Group's performance and resource allocation. Accordingly, the Group has only one reportable operating segment as per Ind AS 108 - Operating segments.

Revenue from operations:

Particulars	For the year ended 31 March 2021	For the period ended 31 March 2020
Within India	3,895.21	2,392.97
Outside India	292.54	246.47
Total	**4,187.75**	**2,639.44**

Non current assets of the Group as at 31 March 2021 are located as follows:

Particulars	Within India	Outside India	Total
Property, plant and equipment	3,147.95	-	3,147.95
Capital work-in-progress	175.14	-	175.14
Right of use assets	43.84	-	43.84
Intangible assets	34.69	-	34.69
Investments in joint ventures	-	-	-
Other non-current assets	21.96	0.26	22.22
Current tax assets (net)	4.31	-	4.31
Financial assets			66.41
Total			**3,494.56**

Non current assets of the Group as at 31 March 2020 are located as follows:

Particulars	Within India	Outside India	Total
Property, plant and equipment	3,231.77	4.22	3,235.99
Capital work-in-progress	234.21	-	234.21
Right of use assets	29.58	-	29.58
Other Intangible assets	37.50	-	37.50
Investments in joint ventures	-	-	-
Other non-current assets	20.56	0.79	21.35
Current tax assets (net)	3.25	-	3.25
Financial assets			24.94
Total			**3,586.82**

44. Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Group is given below:

Particulars	31 March 2021	31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	0.04	1.35
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

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45. Financial Instruments

45.1 Capital risk management

The Group, being a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.
The Group monitors its capital using gearing ratio which is net debt to total equity. Net debt includes interest bearing loans and borrowings less cash and cash equivalents and bank balances.

The objective of the Group's capital management structure is to ensure that there remains sufficient liquidity within the Group to carry out committed work programme requirements. The Group monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility.
The Group manages its capital structure and makes adjustments to it, based on underlying macro economic factors affecting business environment, financial market conditions and interest rates environment.

Particulars	31 MARCH 2021	31 MARCH 2020
Long term borrowings (including current maturities)	2,817.20	3,050.74
Short term borrowings	224.73	367.63
Total borrowings	**3,041.93**	**3,418.37**
Less: Cash and cash equivalents	13.52	36.11
Less: Bank balances other than cash and cash equivalents	116.39	130.23
Less: Bank deposits (having maturity more than 12 months)	59.19	4.69
Net debts	**2,852.83**	**3,247.34**
Total equity	**93.63**	**60.66**
Gearing ratio	**30.47**	**53.53**

(i) Equity includes all capital and reserves of the Group that are managed as capital.
(ii) Debt is defined as long term borrowings , current maturities and short term borrowings, as described in note 19.

45.2 Categories of financial instruments

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at 31 March 2021

Particulars	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Financial assets					
Current investments	-	-	0.25	0.25	0.25
Non-current investments	-	0.92	-	0.92	0.92
Trade receivables	188.67	-	-	188.67	188.67
Cash and cash equivalents	13.52	-	-	13.52	13.52
Bank balances other than cash and cash equivalents	116.39	-	-	116.39	116.39
Derivative assets	-	-	0.23	0.23	0.23
Other financial assets	80.28	-	-	80.28	80.28
Total	**398.86**	**0.92**	**0.48**	**400.26**	**400.26**
Financial Liabilities					
Long term borrowings (including accrued premium payable on redemption)	3,005.20	-	-	3,005.20	3,166.36
Short term borrowings	224.73	-	-	224.73	224.73
Trade payables	780.65	-	-	780.65	780.65
Lease liabilities	27.62			27.62	27.62
Derivative liabilities	-	-	2.23	2.23	2.23
Other financial liabilities	137.81	-	-	137.81	137.81
Total	**4,176.01**	**-**	**2.23**	**4,178.24**	**4,339.40**

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As at 31 March 2020

Particulars	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Financial assets					
Investment	-	0.75	-	0.75	0.75
Trade receivables	51.77	-	-	51.77	51.77
Cash and cash equivalents	36.11	-	-	36.11	36.11
Bank balances other than cash and cash equivalents	130.23	-	-	130.23	130.23
Derivative assets	-	-	7.75	7.75	7.75
Loans	0.36	-	-	0.36	0.36
Other financial assets	25.80	-	-	25.80	25.80
Total	**244.27**	**0.75**	**7.75**	**252.77**	**252.77**
Financial Liabilities					
Long term borrowings (including accrued premium payable on redemption)	3,151.87	-	-	3,151.87	3,303.42
Short term borrowings	367.63	-	-	367.63	367.63
Trade payables	489.98	-	-	489.98	489.98
Lease liabilities	29.83			29.83	29.83
Derivative liabilities	-	-	0.20	0.20	0.20
Other financial liabilities	147.31	-	-	147.31	147.31
Total	**4,186.62**	**-**	**0.20**	**4,186.82**	**4,338.37**

45.3 Financial risk management objectives and policies

The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

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

45.4 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings and FVTOCI investments.

The sensitivity analysis of the above mentioned risk in the following sections relate to the position as at 31 March 2021 and 31 March 2020.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The analysis for contingent liabilities is provided in Note 41.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2021 and 31 March 2020.

A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The following table provides a breakup of the Group's fixed and floating rate borrowings:

Particulars	31 MARCH 2021	31 MARCH 2020
Fixed rate borrowings	496.62	496.62
Floating rate borrowings	2,733.31	3,022.88
Total borrowings	**3,229.93**	**3,519.50**
Total net borrowings	3,229.93	3,519.50
Add: Upfront fees	18.30	20.56
Total borrowings	**3,248.23**	**3,540.06**

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The following table demonstrates the sensitivity to change in interest rates, all other variables held constant :

	Increase/decrease in basis points	Effect on profit before tax
		INR Crores
31 March 2021		
INR	+50	(16.15)
INR	-50	16.15
31 March 2020		
INR	+50	(17.60)
INR	-50	17.60

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

B. Foreign currency risk management

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates.

The Group's functional currency is Indian Rupees (INR). The Group undertakes transactions denominated in foreign currencies. Consequently, exposure to exchange rate fluctuations arises. Volatility in exchange rates affects the group's revenue from export markets and the cost of imports, primarily in relation to raw materials. The Group is exposed to exchange rate risk under its trade portfolio.

A reasonably possible strengthening/weakening of the foreign currencies (USD / Euro) against INR would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit and loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates remain constant.

Exposure to currency risk

The carrying amounts of the Group's monetary assets and liabilities at the end of the reporting period are:

Currency Exposure as at 31 March 2021

Particulars	USD	EURO	INR	Total
Financial assets				
Current investments			0.25	0.25
Non current investments	-	-	0.92	0.92
Trade receivables	44.29	1.88	142.50	188.67
Cash and cash equivalents	1.83	-	11.69	13.52
Bank balances other than cash and cash equivalents	-	-	116.39	116.39
Derivative assets	0.23		-	0.23
Loans	-	-	-	-
Other financial assets	-	-	80.28	80.28
Total financial assets	**46.35**	**1.88**	**352.03**	**400.26**
Financial Liabilities				
Long term borrowings (including accrued premium payable on redemption)	-	-	3,005.20	3,005.20
Short term borrowings	-	-	224.73	224.73
Trade payables	180.31	-	600.34	780.65
Lease liabilities	-	-	27.62	27.62
Derivative liabilities	2.22	0.01	-	2.23
Other financial liabilities	2.44	27.26	108.11	137.81
Total financial liablities	**184.97**	**27.27**	**3,966.00**	**4,178.24**

Currency Exposure as at 31 March 2020

Particulars	USD	EURO	INR	Total
Financial assets				
Non current investments	-	-	0.75	0.75
Trade receivables	20.11	-	31.66	51.77
Cash and cash equivalents	0.63	-	35.48	36.11
Bank balances other than cash and cash equivalents	-	-	130.23	130.23
Derivative assets	7.75	-	-	7.75
Loans	-	-	0.36	0.36
Other financial assets	-	-	25.80	25.80
Total financial assets	**28.49**	**-**	**224.28**	**252.77**
Financial Liabilities				
Long term borrowings (including accrued premium payable on redemption)	-	-	3,151.87	3,151.87
Short term borrowings	-	-	367.63	367.63
Lease liabilities	-	-	29.83	29.83
Trade payables	103.52	-	386.46	489.98
Derivative liabilities	0.04	0.16	-	0.20
Other financial liabilities	-	29.29	118.02	147.31
Total financial liabilities	**103.56**	**29.45**	**4,053.81**	**4,186.82**

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. 5% 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 denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 5% against the relevant currency. For a 5% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

	Increase		Decrease	
Particulars	**31 MARCH 2021**	**31 MARCH 2020**	**31 MARCH 2021**	**31 MARCH 2020**
Receivables				
USD/INR	0.46	0.12	(0.46)	(0.12)
EURO/INR	-	0.02	-	(0.02)
Payables				
USD/INR	(0.41)	(15.08)	0.41	15.08
EURO/INR	(1.36)	-	1.36	-

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

a) USD

As at	Nature	No of contracts	Type	USD equivalent ($ in million)	INR equivalent	MTM
31 March 2021	Assets	8	Buy	5.10	37.47	0.11
	Liabilities	11	Buy	18.80	138.04	(1.97)
	Assets	4	Sell	2.90	21.32	0.12
	Liabilities	8	Sell	6.40	47.34	(0.25)
31 March 2020	Assets	10	Buy	25.21	190.04	7.75
	Liabilities	6	Sell	2.42	18.24	0.04

b) EURO

As at	Nature	No of contracts	Type	EURO equivalent (€ in million)	INR equivalent	MTM
31 March 2021	Liabilities	1	Sell	0.20	1.88	(0.01)
31 March 2020	Liabilities	1	Buy	3.35	27.82	0.16

Unhedged currency risk position

i) Amounts receivable in foreign currency

a) USD

	As at 31 March 2021		As at 31 March 2020	
	USD equivalent (in million)	INR equivalent	USD equivalent (in million)	INR equivalent
Trade receivables	-	-	0.30	1.87
Other recoverable	1.00	7.39	-	-
Cash & cash equivalents	0.20	1.83	0.100	0.63

b) EURO

	As at 31 March 2021		As at 31 March 2020	
	EURO equivalent (in million)	INR equivalent	EURO equivalent (in million)	INR equivalent
Trade receivables	0.020	-	0.001	0.43

ii) Amounts payable in foreign currency

b) USD

	As at 31 March 2021		As at 31 March 2020	
	USD equivalent (in million)	INR equivalent	USD equivalent (in million)	INR equivalent
Short term borrowings	-	-	40.00	301.54
Trade payables and other financial liabilities	1.00	7.25	-	-
Other payables	0.10	1.01	-	-

b) EURO

	As at 31 March 2021		As at 31 March 2020	
	USD equivalent (in million)	INR equivalent	USD equivalent (in million)	INR equivalent
Other financial liabilities	3.20	27.26	-	-

The unhedged foreign currency exposure disclosed in table above does not include receivable/ payable in foreign currency, to the extent, covered by the outstanding derivative contracts.

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45.5 Credit risk management:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Credit risk from investments with banks and other financial institutions is managed by the Treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and/or other criteria, and are only made within approved limits. The management continually re-assess the Group's policy and update as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date.

A. Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

At the year end the Group does not have any significant concentrations of bad debt risk other than that disclosed in note 11.

At each reporting date, the Group computes the expected credit loss using implied approach. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as at the balance sheet date. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade reecivables as low. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

B. Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's treasury functions in accordance with the management policies. Investments of surplus funds are made only with approved counterparties who meet the appropriate rating and / or other criteria, and are only made within approved limits. The management continually re-assesses the Group's policy and updates the same as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure.

45. 6. Liquidity risk

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 require financing.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

Maturity pattern of financial assets and liabilities:

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

As at 31 March 2021

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Current investment	0.25	-	-	0.25
Non current investment	-	-	0.92	0.92
Trade receivables	188.67	-	-	188.67
Cash and cash equivalents	13.52	-	-	13.52
Bank balances other than cash and cash equivalents	116.39	-	-	116.39
Derivative assets	0.23	-	-	0.23
Loans	-	-	-	-
Other financial assets	14.79	59.19	6.30	80.28
Total financial assets	**333.85**	**59.19**	**7.22**	**400.26**
Financial liabilities				
Long term borrowings (including accrued premium payable on redemption)	44.47	834.78	2,125.95	3,005.20
Short term borrowings	224.73	-	-	224.73
Lease liabilities	0.46	1.71	25.45	27.62
Trade payables	780.65	-	-	780.65
Derivative liabilities	2.23	-	-	2.23
Other financial liabilities	103.63	-	34.18	137.81
Interest and premium payout liability	192.28	806.69	3,239.74	4,238.71
Interest payout liability on leases	0.23	0.88	10.06	11.17
Total financial liabilities	**1,348.68**	**1,644.06**	**5,435.38**	**8,428.12**

Creixent Special Steels Limited

Creixent Special Steels Limited
Notes to Consolidated Financial Statements as at and for the year ended 31 March 2021
(Amount in Rupees crores, unless otherwise stated)
As at 31 March 2020

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Non current investment	-	-	0.75	0.75
Trade receivables	51.77	-	-	51.77
Cash and cash equivalents	36.11	-	-	36.11
Bank balances other than cash and cash equivalents	130.23	-	-	130.23
Derivative assets	7.75	-	-	7.75
Loans	0.36	-	-	0.36
Other financial assets	1.45	24.31	0.04	25.80
Total financial assets	**227.67**	**24.31**	**0.79**	**252.77**
Financial liabilities				
Long term borrowings (including accrued premium payable on redemption)	301.54	612.05	2,238.28	3,151.87
Short term borrowings	367.63	-	-	367.63
Lease liabilities	0.98	3.02	25.83	29.83
Trade payables	489.98	-	-	489.98
Derivative liabilities	0.20	-	-	0.20
Other financial liabilities	147.31	-	-	147.31
Interest and premium payout liability	219.46	828.76	3,349.67	4,397.89
Interest payout liability on leases	0.10	0.57	11.13	11.80
Total financial liabilities	**1,527.20**	**1,444.40**	**5,624.91**	**8,596.51**

45.7. Level wise disclosure of financial instruments

Particulars	31 MARCH 2021	31 MARCH 2020	Level	Valuation Technique
Quoted investments in equity shares measured at FVTOCI	0.92	0.59	1	Quoted bid prices in an active market
Quoted Investments at fair value through profit or loss	0.25	0.16	2	
Derivative assets	0.23	7.55	2	The fair value of forward contracts is determined using forward exchange rate as at the balance sheet date.
Derivative liabilities	2.23	0.20	2	
Long term borrowings	3,166.36	3,303.42	3	Discounted cash flow. Future cash flows are discounted at a rate that reflects market risk.

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short term nature.

There are no transfers between level I and level II during the year.

Sensitivity analysis of Level 3:

Particulars	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Non- current borrowings – Non convertible debentures	DCF Method	Discounting rate 10.18%	0.50%	0.50% Increase / (decrease) in the discount would decrease / (increase) the fair value by Rs.7.42 crores / (Rs.7.59 crores)

Reconciliation of Level III fair value measurement:

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	**186.30**	**186.30**
Purchase / (Sale) (net)	-	-
Gain / (loss) recognized in the Statement of profit and loss	-	-
Gain / (loss) recognized in the Other comprehensive income	-	-
Closing balance	**186.30**	**186.30**

Creixent Special Steels Limited ★

(Amount in Rupees crores, unless otherwise stated)

46. Disclosure of additional information pertaining to the Parent Company and Subsidiaries as per Schedule III of Companies Act,2013

Name of entity in the group	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated loss	Amount	As % of consolidated other comprehensive loss	Amount	As % of consolidated total comprehensive loss	Amount
Parent Company								
Creixent Special Steels Limited	(16.64)	(123.55)	(58.52)	(79.86)	-	-	(54.62)	(79.86)
Subsidiaries								
Indian								
JSW Ispat Special Products Limited	98.77	733.44	(37.02)	(50.52)	12.40	1.21	(33.72)	(49.31)
Monnet Cement Limited	0.02	0.12	(0.01)	(0.02)	-	-	(0.01)	(0.02)
Chomal Exports Private Limited	-	-	-	-	-	-	-	-
Monnet Sports Foundation	-	-	-	-	-	-	-	-
Khasjamada Mining Company	-	-	-	-	-	-	-	-
Foreign								
Monnet Global Limited - Group	(6.28)	(46.62)	111.29	151.87	-	-	103.86	151.87
Non-controlling interest in all the subsidiaries	87.39	648.94	79.28	108.19	51.84	5.06	77.45	113.25
Joint Ventures	-							
Indian								
Mandakini Coal Company Limited	-	-	-	-	-	-	-	-
Urtan North Mining Company Limited	-	-	-	-	-	-	-	-
MP Monnet Mining Company Limited	-	-	-	-	-	-	-	-
Monnet Ecomaister Enviro Private Limited	-	-	-	-	-	-	-	-
Solace Land Holding Limited	-	-	-	-	-	-	-	-
Adjustment arising out of consolidation	(63.26)	(469.76)	4.98	6.80	35.76	3.49	7.04	10.29
Total	**100.00**	**742.57**	**100.00**	**136.46**	**100.00**	**9.76**	**100.00**	**146.22**

47. The President has given his assent to the Code on Social Security, 2020 ("Code") in September 2020. On 13 November, 2020 the Ministry of Labour and Employment has released draft rules for the Code. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact once the subject rules are notified and will give appropriate impact to its financial statements in the period in which the Code becomes effective.

48. The figures for the corresponding previous periods have been restated / regrouped wherever necessary to make them comparable.

For and on behalf of the Board of Directors

Date: 14 May 2021
Place: Mumbai

Suresh N Prasad
Chief Executive Officer

Seshagiri Rao M.V.S.
Director
DIN: 01277756

Keshav Anand
Chief Financial Officer

Nikhil Gahrotra
Director
DIN: 01277756

Shyam Dikkatwar
Company Secretary
ICSI M No. ACS: 33003

Creixent Special Steels Limited

Deloitte
Haskins & Sells LLP

Chartered Accountants
One International Center
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Senapati Bapat Marg
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Maharashtra, India

Tele: + 91 22 6185 4000
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INDEPENDENT AUDITOR'S REPORT

To The Members of Creixent Special Steels Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Creixent Special Steels Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

DELOITTE HASKINS & SELLS LLP
MUMBAI
CHARTERED ACCOUNTANTS

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

Thé Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

DELOITTE HASKINS & SELLS LLP
MUMBAI
CHARTERED ACCOUNTANTS

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

DELOITTE HASKINS & SELLS LLP
MUMBAI
CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 31 March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164(2) 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 A". 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 the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

      i. The Company does not have any pending litigations which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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CHARTERED ACCOUNTANTS

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Haskins & Sells LLP

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rakesh Sharma
(Partner)
(Membership No. 102042)
(UDIN: 21102042AAAAAZ9199)

Place: Mumbai
Date:14 May 2021

Deloitte
Haskins & Sells LLP

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1f under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Creixent Special Steels Limited ("the Company") as of 31 March, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 were established and maintained and if such controls operated effectively in all material respects.

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

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

DELOITTE HASKINS & SELLS LLP
MUMBAI
CHARTERED ACCOUNTANTS

Deloitte
Haskins & Sells LLP

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/ W-100018)

Rakesh Sharma
(Partner)
(Membership No. 102042)
(UDIN: 21102042AAAAAZ9199)

Place: Mumbai
Date: 14 May 2021

Deloitte
Haskins & Sells LLP

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) The Company does not have any fixed assets and hence reporting under clause (i) of the CARO 2016 is not applicable.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.

(iii) 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 Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. The Company does not have any unclaimed deposits as at 31 March 2021 and accordingly the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of CARO 2016 is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(vii)(a) The Company has generally been regular in depositing undisputed statutory dues, including Income-tax, Goods and Service Tax and other material statutory dues applicable to it to the appropriate authorities. As informed to us the provisions of Provident Fund, Employees' State Insurance, Excise Duty, Customs Duty, Sales Tax and Value Added Tax and Cess were not applicable to the Company during the current year.

(vii)(b) There were no undisputed amounts payable in respect of Income-tax, Goods and Service Tax and other material statutory dues in arrears as at 31 March, 2021 for a period of more than six months from the date they became payable.

(vii)(c) There are no dues of Income-tax and Goods and Service Tax as on 31 March, 2021 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to debenture holders. The Company has not taken any loans or borrowings from financial institutions, banks and government.

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

DELOITTE HASKINS & SELLS LLP MUMBAI CHARTERED ACCOUNTANTS

(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 officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. 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 clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/ W-100018)

Rakesh Sharma
(Partner)
(Membership No. 102042)
(UDIN: 21102042AAAAAZ9199)

Place: Mumbai
Date: 14 May 2021

CREIXENT SPECIAL STEELS LIMITED

BALANCE SHEET AS AT 31 MARCH 2021

Rs. in thousands

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
I. ASSETS			
(1) Non-current assets			
(a) Financial assets			
(i) Investments	2	5,664,225	5,664,225
(ii) Other financial assets	3	186	-
(b) Current tax assets (net)		114	-
Total non-current assets		**5,664,525**	**5,664,225**
(2) Current assets			
(a) Financial assets			
(i) Trade receivables	4	7,022	-
(ii) Cash and cash equivalents	5	1,858	2,834
(c) Other current assets	6	4,169	1,312
Total current assets		**13,049**	**4,146**
TOTAL ASSETS		**5,677,574**	**5,668,371**
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	7	100,000	100,000
(b) Other equity	8	(1,335,496)	(536,868)
Total equity		**(1,235,496)**	**(436,868)**
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	9	4,993,994	4,976,694
(ii) Other financial liabilities	10	1,880,034	1,011,267
(b) Deferred tax liabilities		-	78,608
Total non-current liabilities		**6,874,028**	**6,066,569**
(3) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	11		
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding of creditors other than micro enterprises and small enterprises		7,853	10,563
(ii) Other financial liabilities	12	30,936	26,534
(b) Other current liabilities	13	253	1,573
Total current liabilities		**39,042**	**38,670**
Total liabilities		**6,913,070**	**6,105,239**
TOTAL EQUITY AND LIABILITIES		**5,677,574**	**5,668,371**

See accompanying notes to the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Place: Mumbai
Date: 14 May 2021

For and on behalf of the Board of Directors

Suresh N Prasad
Chief Executive Officer

Seshagiri Rao M.V.S.
Director
DIN: 00029136

Keshav Anand
Chief Financial Officer

Nikhil Gahrotra
Director
DIN: 01277756

Shyam Dikkatwar
Company Secretary
ICSI M No. ACS: 33003

Creixent Special Steels Limited

CREIXENT SPECIAL STEELS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

Rs. in thousands, except per share data and as stated otherwise

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
I. Revenue			
Revenue from operations	14	145,936	12,826
II. Expenses			
Purchases of traded goods		145,753	12,794
Personnel support costs		4,414	5,135
Finance costs	15	871,055	658,411
Other expenses	16	1,950	8,042
Total expenses		**1,023,172**	**684,382**
III. Loss before tax (I-II)		**(877,236)**	**(671,556)**
IV. Tax expense / (benefit)	19	**(78,608)**	**(46,222)**
V. Loss for the year (III-IV)		**(798,628)**	**(625,334)**
VI. Other comprehensive income		-	-
VII. Total comprehensive loss for the year (V+VI)		**(798,628)**	**(625,334)**
VIII. Earnings per share (of Rs. 10/- each)			
Basic and diluted (Rs.)	17	(79.86)	(62.53)

See accompanying notes to the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Place: Mumbai
Date: 14 May 2021

For and on behalf of the Board of Directors

Suresh N Prasad
Chief Executive Officer

Seshagiri Rao M.V.S.
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Shyam Dikkatwar
Company Secretary
ICSI M No. ACS: 33003

Creixent Special Steels Limited

CREIXENT SPECIAL STEELS LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

Rs. in thousands

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A.	**Cash flow from operating activities :**		
	Loss before tax	(877,236)	(671,556)
	Adjustments for :		
	Interest expense	871,038	658,411
		(6,198)	(13,145)
	Changes in working capital		
	(Increase) / Decrease in other assets	(3,043)	1,189
	Increase in trade receivables	(7,022)	-
	(Decrease) / Increase in trade payables	(2,798)	7,093
	Increase in other financial liabilities	(54)	-
	Decrease in other current liabilities	(1,320)	(853)
	Cash generated from operations	**(20,435)**	**(5,716)**
	Direct taxes paid	(26)	-
	Net cash used in operating activities (A)	**(20,461)**	**(5,716)**
B.	**Cash flow from investing activities (B)**		
		-	-
	Net cash used in investing activities (B)	-	-
C.	**Cash flow from financing activities :**		
	Proceeds from borrowings	19,800	8,000
	Interest paid	(315)	(215)
	Net cash flow generated from financing activities (C)	**19,485**	**7,785**
	Net increase in cash and cash equivalents (A+B+C)	**(976)**	**2,069**
	Cash and cash equivalents at the beginning of the year	2,834	765
	Cash and cash equivalents at the end of the year	**1,858**	**2,834**

Note:

1. The statement of cash flows is prepared using the "indirect method" set out in Indian Accounting Standard 7 "Statement of Cash Flows".

2. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

Rs. in thousands

Particulars	31-Mar-21	Interest accrued	Cash flows (net)	31-Mar-20
Borrowings	5,595,995	-	19,800	5,576,195
Interest accrued but not due on borrowings (including premium payable on redemption of debentures and preference shares)	1,882,979	871,039	(315)	1,012,255

Particulars	31-Mar-20	Interest accrued	Cash flows (net)	31-Mar-19
Borrowings	5,576,195	-	8,000	5,568,195
Interest accrued but not due on borrowings (including premium payable on redemption of debentures and preference shares)	1,012,255	658,411	(215)	354,059

See accompanying notes to the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Place: Mumbai
Date: 14 May 2021

For and on behalf of the Board of Directors

Suresh N Prasad
Chief Executive Officer

Seshagiri Rao M.V.S.
Director
DIN: 00029136

Keshav Anand
Chief Financial Officer

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Director
DIN: 01277756

Shyam Dikkatwar
Company Secretary
ICSI M No. ACS: 33003

Creixent Special Steels Limited

CREIXENT SPECIAL STEELS LIMITED
STATEMENT OF CHANGES IN EQUITY

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
(a) Equity share capital		
Balance at the beginning of the year	100,000	100,000
Equity share capital issued during the year	-	-
Balance at the end of the year	**100,000**	**100,000**

(b) Other equity

Rs. in thousands

Particulars	Equity component of financial instruments	Retained earnings
Balance as at 31 March 2019	449,626	**(361,160)**
Loss for the year	-	(625,334)
Balance as at 31 March 2020	**449,626**	**(986,494)**
Loss for the year	-	(798,628)
Balance as at 31 March 2021	**449,626**	**(1,785,122)**

See accompanying notes to the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Place: Mumbai
Date: 14 May 2021

For and on behalf of the Board of Directors

Suresh N Prasad
Chief Executive Officer

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Director
DIN: 01277756

Shyam Dikkatwar
Company Secretary
ICSI M No. ACS: 33003

Creixent Special Steels Limited

CREIXENT SPECIAL STEELS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1A. General Information

Creixent Special Steels Limited ("the Company") is incorporated in India on 27 February 2018 under the Companies Act, 2013 with its registered office located at QR No. 50-51, Park Avenue Colony, Jindal Road, Dhimrapur, Raigarh – 496001, Chattisgarh.

The Company is primarily engaged in the business of trading of iron and steel products.

1B. Statement of compliance

Standalone Financial Statements has 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.

These standalone financial statements are approved by the Board of Directors on 14 May 2021.

1C. Basis of preparation and presentation

The Financial Statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The directors of the Company has given careful consideration to the liquidity of the Company having regard to its negative net-worth of Rs. 1,235,496 thousands and current liabilities exceeding current assets by Rs.25,993 thousands, as at 31 March 2021. The Company plans to meet the said deficit for the forthcoming year by receiving the continual unconditional financial support committed by a investing party in respect of which the Company is a joint venture. Having regard to the above, the financial statements have been prepared on a going concern basis.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest thousands, except otherwise indicated.

1D. Significant Accounting Policies

I. Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefit will flow to the Company and it can be measured reliably.

Sale of goods

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

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items as per the terms of the contract.

Creixent Special Steels Limited

The amount of revenue excludes any amount collected on behalf of third parties or government such as goods and service tax levied on sales.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

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.

II. 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.

III. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax
Current tax is the amount of tax payable based on the taxable profit for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted at the Balance Sheet date.

Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone 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 recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

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.

Creixent Special Steels Limited

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.

IV. Inventories

Inventories are valued at cost, or net realisable value, whichever is lower.

Cost of inventories include cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

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

V. Provisions and contingencies

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.

A disclosure for contingent liabilities is made where there is-

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

b) a present obligation that arises from past events but is not recognized because:
   i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
   ii) the amount of the obligation cannot be measured with sufficient reliability.

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

Provisions, contingent liabilities and contingent assets are reviewed at each reporting period.

VI. Investment in subsidiary

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

VII. Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) for the period by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period 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).

Creixent Special Steels Limited

Diluted earnings per share is computed by dividing the profit/(loss) for the period 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. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

VIII. Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. 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 profit or 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 or loss are recognised immediately in the Statement of Profit and Loss.

A. Non-derivative financial instruments

a) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of unencumbered balances with banks.

b) Financial assets carried at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business model whose objective is to hold these assets in order 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.

c) Financials assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss

d) Equity instruments

An equity instrument is a 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 recognized at the proceeds received, net of direct issue costs.

e) Financial liabilities at amortised cost

Financial liabilities are measured at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Creixent Special Steels Limited

f) **Compound financial instruments**

The components of compound financial instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The amount classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured.

B. Impairment

The Company assesses the expected credit losses associated with its assets carried at amortised cost based on the Company's past history of recovery, credit worthiness of the counter party and existing market conditions.

C. De-recognition of financial assets and financial liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

A financial liability (or a part of a financial liability) is derecognised from the company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

D. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value and such value may actually not be realized at that amount.

1E. The outbreak of Corona Virus pandemic globally and in India has caused significant impact on the economic activity. In many countries including India, businesses have been force to limit their operations resulting in economic slowdown.

The Company based on its assessments expects to recover the carrying value of the assets. In assessing the recoverability of the Company's assets, the Company has considered internal and external information upto the date of approval o these standalone financial statements.

Creixent Special Steels Limited

2. Non-current Investments

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
Investments in a subsidiary (at cost)		
Quoted:		
225,934,607 equity shares (31 March 2020: 225,934,607 equity shares) of Rs. 10/- each of JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited)	2,259,346	2,259,346
Unquoted:		
340,487,893 preference shares (31 March 2020: 340,487,893 preference shares) of Rs. 10/- each of JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited)	3,404,879	3,404,879
	5,664,225	5,664,225
Quoted :		
Aggregate book value	2,259,346	2,259,346
Aggregate market value	5,930,783	2,078,598
Unquoted :		
Aggregate book value	3,404,879	3,404,879

3. Other financial assets (non-current)

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
Deposit with stock exchange	186	-
	186	-

4. Trade receivables

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables considered good - Unsecured	7,022	-
	7,022	-
(a) Ageing of receivables that are past due:		
30 - 90 days	7,022	-
	7,022	-

(b) The credit period on sales of goods ranges from 7 to 30 days without security.

(c) The Company does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right to offset against any amounts owned by the Company to the counterparty.

(d) Credit risk management regaridng trade receivables has been described in Note 21 (e)

(e)Trade receivables from related party has been disclosed in note 19.

(f) Trade receivables does not include any receivables from directors and officers of the Company.

5. Cash and cash equivalents

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks - in current accounts	1,858	2,834
	1,858	2,834

6. Other current assets

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
Indirect tax balances/ recoverables	4,169	1,312
	4,169	1,312

7. Equity share capital

Rs. in thousands

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount
(a) Authorised:				
Equity shares of the par value Rs. 10 each	14,980,000	149,800	14,980,000	149,800
(b) Issued and subscribed				
Equity shares of Rs. 10 each, fully paid up	10,000,000	100,000	10,000,000	100,000
	10,000,000	100,000	10,000,000	100,000
(c) Reconciliation of number of shares outstanding at the beginning and at the end of the year				
At the beginning of the year	10000000	100,000	10,000,000	100,000
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	10,000,000	100,000	10,000,000	100,000

Creixent Special Steels Limited

CREIXENT SPECIAL STEELS LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(d) Rights, preferences and restrictions attched to equity shares

The Company has a single class of equity shares. Each holder of equity shares is entitled for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Shareholders holding more than 5% shares in the Company are set out below:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	% of shares	No. of Shares	% of shares
JSW Steel Limited	4,800,000	48.00%	4,800,000	48.00%
AION Investments Private II Limited	5,200,000	52.00%	5,200,000	52.00%

8. Other equity

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
Retained earnings	(1,785,122)	(986,494)
Equity component of compound financial instruments	449,626	449,626
	(1,335,496)	(536,868)

(a) Retained earnings

Retained earnings are the profit / losses that the Company has earned till date, less any transfers to general reserve, dividends or other distributions to the shareholders.

(b) Equity component of compound financial instruments

The Company has issued Reedemable Preference shares (RPS) in the earlier years. The Company has computed the liability portion of RPS as the present value of the contractual obligations with the instrument and the difference between the issue amount of the RPS and the liability so computed has been treated as the 'Fair valuation difference on financial instruments issued to owners' and grouped under other equity.

9. Borrowings

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
Non-convertible debentures (unsecured)	1,863,000	1,863,000
Liability component of financial instruments (unsecured)	3,103,194	3,103,194
Loan from a related party (unsecured) (refer note 19 C)	30,300	10,500
	4,996,494	4,976,694
Less: Current maturities of long term debt from a related party clubbed under other financial liabilities (refer note 12)	2,500	-
	4,993,994	4,976,694

Non-convertible debentures:

A. 0.01% non-convertible debentures (NCDs) of Rs.1,000,000 each aggregating to Rs.1,863,000 thousands and are redeemable on 28-08-2025 at a fixed premium of Rs.52,000 thousands and a variable premium such that yield on the redemption principal and fixed premium is equal to the redemption YTM of 12% p.a.

Liability component of compound financial instruments :

A. 0.01% redeemable preference shares-1 (RPS-1) having face value of Rs. 10 aggregating to Rs.1,719,692 thousands and are redeemable on 27-08-2038 at a fixed premium of Rs.48,000 thousands and a variable premium such that yield on the redemption principal and fixed premium is equal to the redemption YTM of 12% p.a.

B. 0.01% redeemable preference shares-2 (RPS-2) having face value of Rs. 10 aggregating to Rs.1,983,004 thousands and are redeemable on 27-08-2038 at a variable premium such that yield on the redemption principal and fixed premium is equal to the redemption YTM of 10% p.a.

Loan from related party:

A. Loan from a related party amounting to Rs. 2,500 thousands bearing an interest rate of 1 year MCLR plus 200 basis points and is repayable on 26-02-2022.

B. Loan from a related party amounting to Rs. 20,000 thousands bearing an interest rate of 1 year MCLR plus 200 basis points and is repayable on 06-11-2022.

C. Loan from a related party amounting to Rs. 7,800 thousands bearing an interest rate of 1 year MCLR plus 200 basis points and is repayable on 27-08-2023.

10. Other financial liabilities (Non-current)

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
Premium on redemption of non-convertible debentures	661,689	381,854
Premium on redemption of preference shares	1,218,345	629,413
	1,880,034	1,011,267

11. Trade payables

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
Creditors other than micro enterprises and small enterprises	7,853	10,563
	7,853	10,563

Payables other than micro enterprises and small enterprises are normally settled within 1 to 180 days.

Amount payable to micro enterprises and small enterprises is Rs. Nil, based on the information available with the Company and relied upon by the auditors.

12. Other financial liabilities (current)

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
Current maturities of long term debt from a related party (refer note 9)	2,500	-
Payable to a related party (refer note 19 C)	25,491	25,545
Interest accrued but not due on borrowings	2,945	988
	30,936	26,533

13. Other current liabilities

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
Statutory liabilities	253	1,573
	253	1,573

Creixent Special Steels Limited

14. Revenue from operations

Rs. in thousands

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Sales of products		
Sale of traded goods	145,936	12,826
	145,936	**12,826**

Product wise turnover

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Iron skull	145,936	-
TMT Re-bars	-	12,826
Total	**145,936**	**12,826**

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from contracts with customer - Sale of products	145,936	12,826
Total revenue from contracts with customers	**145,936**	**12,826**
Within India	145,936	12,826
Outside India	-	-
Total revenue from contracts with customers	**145,936**	**12,826**
Timing of revenue recognition		
At a point in time	145,936	12,826
Over a period of time	-	-
Total revenue from contracts with customers	**145,936**	**12,826**

Performance obligation

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 60 days from delivery.

15. Finance costs

Rs. in thousands

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on debentures	187	187
Interest on preference shares	370	371
Premium on redemption of debentures	279,834	248,809
Premium on redemption of preference shares	588,932	408,752
Other borrowing cost	1,732	292
	871,055	**658,411**

16. Other expenses

Rs. in thousands

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Audit fees		
- As statutory audit fees	600	5,700
- As tax audit fees	10	100
- As limited review fees	300	300
- As Other certifications	25	-
- As out of pocket expenses	-	530
Legal and professional fees	685	1,022
Miscellaneous expenses	330	390
	1,950	**8,042**

17. Earnings per share

Particulars		For the year ended 31 March 2021	For the year ended 31 March 2020
Net loss for the year(A)	**Rs. in thousands**	**(798,628)**	**(625,334)**
Equity shares at the beginning and end of the year	Nos.	10,000,000	10,000,000
Weighted average number of equity shares for the purpose of calculating basic and diluted earnings per share (B)	**Nos.**	**10,000,000**	**10,000,000**
Earnings per share - basic and diluted (face value of Rs. 10/- each) (A/B)	Rs.	(79.86)	(62.53)

18. Segment Reporting

The Company is in the business of trading of steel products, primarily operating in India and regularly reviewed by the Chief Operating Decision Maker for assessment of the Company's performance and resource allocation.

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19. Related party disclosures

A. Relationships

1. The investing party in respect of which the reporting enterprise is a joint venture

JSW Steel Limited
AION Investments Private II Limited

2. Subsidiary Company

JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited)
Monnet Global Limited
Monnet Cement Limited
Chomal Exports Private Limited (upto 15 January 2020)
Monnet Sports Foundation (upto 15 January 2020)
Pt. Sarwa Sembada Karya Bumi
LLC Black Sea Natural Resources
Khasjamda Mining Company (upto 5 October 2019)

3. Joint Ventures

Mandakani Coal Company Limited
Urtan North Mining Company Limited
MP Monnet Mining Company Limited
Monnet Ecomaister Enviro Private Limited
Solace Land Holding Limited

4. Associate

Monnet Power Company Limited (upto 23 October 2019)

5. Key Management Personnel (KMP)

Mr. Nikhil Gahrotra - Director
Mr. Seshagiri Rao M.V.S. - Director
Mr. Kalpesh Kikani - Director (upto 7 January 2021)
Mr. Kaushik Subramaniam - Director (w.e.f. 20 January 2021)
Mrs. Anuradha Bajpai
Mr Chirag Bhansali
Mr. Suresh N Prasad - Chief Executive Officer (w.e.f. 14 May 2021)
Mr. Rajkumar Sureka- Chief Executive Officer (Upto 20 Novemnber 2020)
Mr. Keshav Anand - Chief Finance Officer
Mr. Shyam Dikkatwar - Company Secretary

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B. Transactions with related parties

Particulars	The investing party in respect of which the reporting enterprise is a joint venture		Subsidiary Companies		Key Management Personnel	
	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2021	For the year ended 31 March 2020
JSW Steel Limited						
Loan received	19,800	8,000	-	-	-	-
Interest on loan	1,731	291	-	-	-	-
Reimbursement of expenses incurred on Company's behalf	3,333	4,235	-	-	-	-
Premium on redemption of preference shares	588,932	408,752	-	-	-	-
Interest on preference shares	370	371	-	-	-	-
Sale of goods	172,204	-	-	-	-	-
JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited)						
Reimbursement of expenses incurred on Company's behalf	-	-	1,081	935	-	-
Purchase of goods	-	-	171,989	-	-	-
AION Investments Private II Limited						
Premium on redemption of debentures	279,834	248,809	-	-	-	-
Interest on debentures	187	187	-	-	-	-

Compensation to KMP — Rs. in thousands

Nature of transaction	For the year ended 31 March 2021	For the year ended 31 March 2020
Sitting fees	180	240
Total	180	240

C. Balances with related parties as at 31 March 2021

Particulars	The investing party in respect of which the reporting enterprise is a joint venture		Subsidiary Companies		Key Management Personnel	
JSW Steel Limited						
Trade and other payables	25,491	26,000	-	-	-	-
Trade receivables	7,022	-				
Interest payable	1,870	284	-	-	-	-
Long term borrowing	30,300	10,500	-	-	-	-
Payable for premium on redemption of preference shares not due	1,218,345	629,413	-	-	-	-
Interest on preference shares accrued but not due	962	591	-	-	-	-
Equity share capital	48,000	48,000	-	-	-	-
Preference share capital	3,103,194	3,103,194	-	-	-	-
JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited)						
Other payables	-	-	100	262	-	-
Trade payables	-	-	7,106	-		
AION Investments Private II Limited						
Equity share capital	52,000	52,000	-	-	-	-
Debentures	1,863,000	1,863,000	-	-	-	-
Interest on debentures accrued but not due	110	111	-	-	-	-
Payable for premium on redemption of debentures not due	661,689	381,854	-	-	-	-

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20. Taxation
India

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

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') subsequently amended in Finance Act issued by Ministry of Law and Justice (Legislative department) on 20 September 2019 which is effective 1 April, 2019 domestic companies have the option to pay corporate income tax at 22% plus applicable surcharge and cess subject to certain conditions. The Company basis the impact assessment of Ordinance has decided to continue with the existing tax structure. Accordingly, statutory income tax is charged at 25% on income assessed under the Income Tax Act plus a surcharge and education cess. MAT is assessed on book profits adjusted for certain items allowed under the income tax provisions. The rate of MAT for the year ended 31 March 2021 is 15.60%. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

a) Income tax expense/(benefit)-
There is no current tax for the year ended 31 March 2021, and deferred tax benefit is Rs.78,608 thousands (previous year – Rs.46,222 thousands).

b) A reconciliation of income tax expense applicable to accounting loss before tax at the statutory income tax rate to recognized income tax expense for the year indicated are as follows:

Rs. in thousands

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Loss before tax	**(877,236)**	**(671,556)**
Enacted tax rate in India	**27.82%**	**27.82%**
Expected income tax benefit at statutory rate	(244,047)	(1,86,827)
Deferred tax assets on losses not recognized	165,439	1,40,605
Total tax benefit	**(78,608)**	**(46,222)**

There are no income-tax related legal proceedings which are pending against the Company.

c) Deferred tax (assets) /liabilities-
Components of deferred tax liabilities recognised in the standalone financial statements are as follows:

Rs. in thousands

Particulars	**As at 31 March 2020**	**Recognised/ (reversed) through profit or loss/ other comprehensive income**	**As at 31 March 2021**
Equity component of financial instruments	1,39,811	(6,478)	133,333
Premium accrued on liability component of financial instruments	(61,203)	(72,130)	(133,333)
Total	**78,608**	**(78,608)**	-

Creixent Special Steels Limited

Rs. in thousands

Particulars	As at 31 March 2019	Recognised/ (reversed) through profit or loss/ other comprehensive income	As at 31 March 2020
Equity component of financial instruments	1,46,173	(6,362)	1,39,811
Premium accrued on liability component of financial instruments	(21,343)	(39,860)	(61,203)
Total	**1,24,830**	**(46,222)**	**78,608**

Expiry schedule of losses on which deferred taxes is not recognised as under :

Expiry of losses	AY 2027-28	AY 2028-29	AY 2029-30	Total
Business loss	6,377	13,437	7,913	27,727

21. Financial instruments – fair values and risk management

A. Capital risk management

The Company's objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its operating activities, repayment of principal and interest on its borrowings and making strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from investing party and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company monitors its capital gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing borrowings less cash and cash equivalents.

Rs. in thousands

Particulars	As at 31 March 2021	As at 31 March 2020
Long term borrowings (including accrued premium payable on redemption of debentures)	6,876,528	5,987,961
Less: Cash and cash equivalents	(1,858)	(2,834)
Net debt	**6,874,670**	**5,985,127**
Total equity	**(1,235,496)**	**(436,868)**
Gearing ratio	**(5.56)**	**(13.70)**

Creixent Special Steels Limited

B. Categories of financial instruments

Carrying amount and fair values of financial assets and financial liabilities are presented below:

Rs. in thousands

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets (measured at amortised cost)				
Trade receivables	7,022	7,022	-	-
Cash and cash equivalents	1,858	1,858	2,834	2,834
Other financial assets	186	186	-	-
Total financial assets	**9,066**	**9,066**	**2,834**	**2,834**
Financial liabilities (measured at amortised cost)				
Non-current borrowings				
- Non- convertible debentures (including accrued premium payable on redemption of debentures)	2,524,689	4,136,366	2,244,854	3,760,397
- Preference shares and loan (including accrued premium payable on preference shares at maturity)	4,321,539	4,321,539	3,732,607	3,732,607
- Loan from a related party	27,800	27,800	10,500	10,500
Trade payables	7,853	7,853	10,563	10,563
Other current financial liabilities	30,936	30,936	26,533	26,533
Total financial liabilities	**6,912,817**	**8,524,494**	**6,025,057**	**7,540,600**

The following table summarises the fair values of financial assets and financial liabilities

Rs. in thousands

Particulars	Fair value	Level	Valuation techniques and key input
Financial liability (measured at amortised cost)			
Non- current borrowings – Non convertible debentures	4,136,366	3	Discounted cash flow. Future cash flows are discounted at a rate that reflects market risks.

The fair value of the financial liability above had been determined in accordance with generally accepted pricing model based on discounted cash flow analysis, with the most significant input being the discount rate.

The fair values of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities are considered to be the same as their carrying amounts, due to their short term nature.

Creixent Special Steels Limited

Sensitivity analysis of Level 3:

	Valuation technique	**Significant unobservable inputs**	**Change**	**Sensitivity of the input to fair value**
Non- current borrowings – Non convertible debentures	DCF Method	Discounting rate 10.18%	0.50%	0.50% Increase / (decrease) in the discount would decrease / (increase) the fair value by Rs.74,238 thousands / (Rs.75,941 thousands)

C. Financial risk management

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

The risk management policies aim to mitigate the following risks arising from the financial statements:

- Market risk
- Credit risk; and
- Liquidity risk

D. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates. The Company seeks to minimize the effect of the risk by using derivative financial Instruments to hedge exposure, as and when considered necessary.

E. 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 risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company's credit risk arises principally from the cash and cash equivalents and trade receivables.

The Company maintains its cash and cash equivalents with credit worthy banks and reviews it on ongoing basis.

JSW Steel Limited, joint venturer, is the only customer of the Company and accordingly credit risk is minimal.

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F. 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 meeting the requirements of financing. The Company manages liquidity risk by taking borrowings from the investing party as and when required.

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

The contractual maturity is based on the earliest date on which the Company may be required to pay.

Rs. in thousands

Particulars	< 1 Year	1-5 Years	> 5 Years	Total
As at 31 March 2021				
Financial assets				
Trade receivables	7,022	-	-	7,022
Cash and cash equivalents	1,858	-	-	1,858
Other financial assets	-	-	186	186
Total	**8,880**	**-**	**186**	**9,066**
Financial liabilities				
Non-current borrowings (including accrued premium payable on redemption)	2,500	27,800	6,846,228	6,876,528
Trade payables	7,853	-	-	7,853
Other current financial liabilities	28,436	-	-	28,436
Interest and Premium payout liability	186	745	27,178,756	27,179,687
Total	**38,975**	**28,545**	**34,024,984**	**34,092,504**

Rs. in thousands

Particulars	< 1 Year	1-5 Years	> 5 Years	Total
As at 31 March 2020				
Financial assets				
Cash and cash equivalents	2,834	-	-	2,834
Total	**2,834**	**-**	**-**	**2,834**
Financial liabilities				
Non-current borrowings (including accrued premium payable on redemption)	-	10,500	5,977,461	5,987,961
Trade payables	10,563	-	-	10,563
Other current financial liabilities	26,533	-	-	26,533
Interest and premium payout liability	186	745	28,047,709	28,048,641
Total	**37,282**	**11,245**	**34,025,170**	**34,073,698**

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2021

G. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

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

Rs. in thousands

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
	Carrying amount	**Carrying amount**
Fixed rate borrowings	4,966,194	4,966,194
Floating rate borrowings	30,300	10,500
Total borrowings	**4,996,494**	**4,976,694**

Interest rate sensitivity analysis

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

If interest rate had been 50 basis points higher / lower and all other variables were held constant, the Company's loss before tax for the year ended 31 March 2021 would increase / decrease by Rs.145 thousands (previous year – Rs.105 thousands), respectively. This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings.

For and on behalf of the Board of Directors

Suresh N Prasad
Chief Executive Officer

Seshagiri Rao M.V.S.
Director
DIN: 00029136

Keshav Anand
Chief Financial Officer

Nikhil Gahrotra
Director
DIN: 01277756

Place: Mumbai
Date: 14 May 2021

Shyam Dikkatwar
Company Secretary
ICSI M No. ACS: 33003

Creixent Special Steels Limited

RELEVEANT DETAIL FORMING PART OF ANNUAL REPORT

Board of Directors (as on March 31, 2021):

Mr. Seshagiri Rao Metlapalli Venkata Satya
Mr. Nikhil Omprakash Gahrotra
Mrs. Anuradha Ambar Bajpai (Independent Director)
Mr. Chirag Ashwin Bhansali (Independent Director)
Mr. Kaushik Subramaniam

Key Managerial Personnel (as on March 31, 2021):

CFO- Mr. Keshav Anand
CEO- Mr. Suresh Prasad
Company Secretary: Mr. Shyam Dikkatwar

Statutory Auditors: Deloitte Haskins & Sells LLP

Debenture Trustee:
Catalyst Trusteeship Limited
Address: Office No. 213,
2nd Floor, Navrang House,
21 Kasturba Gandhi Marg,
New Delhi – 110 001.
Tel : +91 (011) 43029101
website : www.catalysttrustee.com

Registered Address:
QR No. 50-51, Park Avenue Colony, Jindal Road, Dhimrapur, Raigarh, 496001
Website: www.jsw.in (https://www.jsw.in/groups/creixent-special-steels-limited)