S R B C & CO LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of JSW Retail and Distribution Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of JSW Retail and Distribution Limited ("the Company"), which comprise the Balance Sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the period then ended, and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the period ended on that date.

Basis for Opinion

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

Other Information

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

Responsibility of Management for the 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 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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 the Statement of Other Comprehensive Income, the Cash Flow Statement 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

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

i. The Company 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.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Anant Acharya
Partner
Membership Number: 124790
UDIN: 22124790AJKXSR3708
Place of Signature: Mumbai
Date: May 23, 2022

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: JSW Retail and Distribution Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) The Company's business does not involve fixed assets and, accordingly, the requirements under paragraph 3(i)(a), (b), (c) (d) & (e) of the Order are not applicable to the Company.

(ii)

(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii)

(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), (d), (e) and (f) of the Order are not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii)

(a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, customs duty, cess and other statutory dues which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)

(a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order are not applicable to the Company.

(x)

(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi)

(a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

(xiv)

(a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.

(b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)

(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) We have been informed by the management that as per Group defined in Reserve Bank of India ('RBI') Guidelines, it has 1 CIC which is registered with the RBI and 3 CICs which are not required to be registered with the RBI.

(xvii) The Company has not incurred cash losses in the current financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 21 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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MUMBAI
CHARTERED ACCOUNTANTS

(xx) The provisions of section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, the requirement to report on clause (xx)(a) and (b) of the Order are not applicable to the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Anant Acharya
Partner
Membership Number: 124790
UDIN: 22124790AJKXSR3708
Place of Signature: Mumbai
Date: May 23, 2022

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF JSW Retail and Distribution Limited

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

We have audited the internal financial controls with reference to financial statements of JSW Retail and Distribution Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the 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 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 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 with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

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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 With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Anant Acharya
Partner
Membership Number: 124790
UDIN: 22124790AJKXSR3708
Place of Signature: Mumbai
Date: May 23, 2022

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

JSW RETAIL AND DISTRIBUTION LIMITED

Audited Financial Statement

For the year ended

31 March 2022

JSW RETAIL AND DISTRIBUTION LIMITED
U51909MH2021PLC356994
Balance Sheet as at March 31, 2022

Rs. in thousands

Particulars	Notes	As at March 31, 2022
I. ASSETS		
Non-current Assets		
(a) Deferred Tax assets	18	1,271
Total Non-current assets		**1,271**
Current assets		
(a) Financial assets		
(i) Trade receivables	3	2,558
(ii) Cash and cash equivalents	4	9,598
(iii) Other Financial assets	5	22,623
(b) Current Tax Assets (net)	6	9,250
(c) Other current assets	7	335
Total current assets		**44,364**
TOTAL ASSETS		**45,635**
II. EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	8	100
(b) Other equity	9	8,322
Total equity		**8,422**
Non-current liabilities		
(a) Provisions	12	16,258
Current liabilities		
(a) Financial liabilities		
(i) Trade payables	10	
- Total outstanding due to micro enterprise and small enterprise		-
- Total outstanding due to creditors other than above		1,685
(ii) Other financial liabilities	11	8,881
(b) Provisons	12	990
(c) Other current liabilities	13	9,399
Total current liabilities		**20,955**
Total liabilities		**37,213**
TOTAL EQUITY AND LIABILITIES		**45,635**

See accompanying notes to the Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Anant Acharya
Partner
Membership No. 124790

Place: Mumbai
Date: May 23, 2022

For and on behalf of the Board of Directors

Vinay Shroff
Director
DIN No. 00081501

Chandrasekaran Prabhakaran
Director
DIN No. 03573049

JSW RETAIL AND DISTRIBUTION LIMITED
U51909MH2021PLC356994
Statement of Profit and Loss for the period from March 15, 2021 to March 31, 2022

Rs. in thousands

Particulars	Notes	For the Period from March 15, 2021 to March 31, 2022
I. Revenue from operations	14	116,397
Total Income		**116,397**
II. Expenses		
Employee benefit expense	15	100,091
Other expenses	16	4,986
Total expenses		**105,077**
III. Profit before tax (I-II)		11,320
IV. Tax expense	18	
Current tax		4,075
Deferred tax		(1,226)
Total Tax expense		**2,849**
V. Profit for the period (III-IV)		**8,471**
VI. Other comprehensive income		
Items that will not be reclassified to profit or (loss)		
(i) Remeasurements of defined benefit liability (asset)		(179)
(ii) Income tax relating to items that will not be reclassified to profit or loss		45
Total Other Comperhensive Income/ (Loss)		**(134)**
VII. Total comprehensive Profit for the period (V+VI)		**8,337**
VII. Earnings per share (of Rs. 10/- each)	17	
Basic and diluted (in Rs.)		833.67

See accompanying notes to the Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **Anant Acharya**
Partner
Membership No. 124790

Place: Mumbai
Date: May 23, 2022

For and on behalf of the Board of Directors

Vinay Shroff
Director
DIN No. 00081501

Chandrasekaran Prabhakaran
Director
DIN No. 03573049

JSW RETAIL AND DISTRIBUTION LIMITED
U51909MH2021PLC356994
Statement of Cash Flows for the period from March 15, 2021 to March 31, 2022

Rs. in thousands

Particulars	For the Period from March 15, 2021 to March 31, 2022
A. Cash flow from operating activities :	
Profit before tax	11,320
Adjustments for :	
Changes in working capital	
Increase in trade payables	1,685
Increase in other financial liabilities	8,881
Increase in other current liabilities	9,399
Increase in provisions	17,114
(Increase) in trade receivables	(2,558)
(Increase) in other receivables	(22,957)
Cash generated from operations	**22,883**
Direct taxes paid	(13,370)
Net cash generated from operating activities (A)	**9,513**
B. Cash flow from investing activities (B)	-
C. Cash flow from financing activity :	
Proceeds from issue of equity shares	100
Share issue expenses	(15)
Net cash flow generated from financing activity (C)	**85**
Net increase in cash and cash equivalents (A+B+C)	**9,598**
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period (Refer note 4)	**9,598**

Note:

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

See accompanying notes to the Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Anant Acharya
Partner
Membership No. 124790

Place: Mumbai
Date: May 23, 2022

For and on behalf of the Board of Directors

Vinay Shroff
Director
DIN No. 00081501

Chandrasekaran Prabhakaran
Director
DIN No. 03573049

JSW RETAIL AND DISTRIBUTION LIMITED
U51909MH2021PLC356994
Statement of Changes in Equity for the period from March 15, 2021 to March 31, 2022

Rs. in thousands

Particulars	For the Period from March 15, 2021 to March 31, 2022
(a) Equity share capital	
Equity shares of Rs. 10 each, issued, subscribed and fully paid	
Opening Balance	-
Issue of equity share capital during the period	100
Closing balance as at March 31, 2022	**100**

(b) Other equity

Particulars	Retained Earnings	OCI	Total Equity
Opening balance as at March 15, 2021	-	-	-
Profit for the year (Refer Note 9)	8,471	-	8,471
Share issue expenses	(15)	-	(15)
Acturial gain/(loss) on defined benefit obligation for the period	-	(134)	(134)
Closing balance as at March 31, 2022	**8,456**	**(134)**	**8,322**

See accompanying notes to the Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **Anant Acharya**
Partner
Membership No. 124790

Place: Mumbai
Date: May 23, 2022

For and on behalf of the Board of Directors

Vinay Shroff
Director
DIN No. 00081501

Chandrasekaran Prabhakaran
Director
DIN No. 03573049

JSW Retail and Distribution Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM MARCH 15, 2021 to MARCH 31, 2022

1. General Information

JSW Retail and Distribution Limited ("the Company") is incorporated in India on March 15, 2021 under the Companies Act, 2013. It is a wholly owned subsidiary of JSW Steel Limited, which is listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is located at 5th Floor, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai Maharashtra – 400 051.

The Company has been set up with an objective of facilitating marketing and selling of steel products including flat and long products, provide technical and management consultancy services both in India and abroad for design, development and production of all forms of steel, aluminum sheets and other metal/ alloy sheets.

2. Significant accounting policies

I. Statement of compliance

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

These are the first financials statements of the company, which comprise the Balance Sheet as at March 31 , 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the period from March 15 , 2021 to March 31, 2022, and accounting policies and other explanatory information (together hereinafter referred to as "financial statements").

The aforesaid financial statements have been approved by the Board of Directors in the meeting held on May 20, 2022.

II. Basis of preparation and presentation

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

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

These are the first financial statements of the company and cover a period from March 15, 2021 to March 31, 2022 hence no comparatives are presented.

III. Summary of significant accounting policies:

i) Current and non-current Classification

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

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

- It is expected to be realized in, or is intended for sale or consumption in, the Company'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.

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JSW Retail & Distribution Ltd.

All other assets are classified as non-current.

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

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

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

ii) Revenue recognition

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Sale of services

The Company provides Marketing and Selling services to its customers. The revenue is recognized over a period of time using input method to measure progress towards complete satisfaction of services, because the customer simultaneously receives and consumes the benefits provided by the Company.

Contract balances

a) Contract assets

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

b) Contract liabilities

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

c) Refund liabilities

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

Dividend and interest income

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

iii) Taxes

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 expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. 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 or substantively 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 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.

iv) Financial Instruments

Financial assets and financial liabilities are recognised when an 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 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 in Balance Sheet and statement of cash flows consist of balances with banks which are unrestricted for withdrawal and usage. After initial recognition, cash and cash equivalent is measured at amortized cost.

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.

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c) **Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

d) **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

e) **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'

f) **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

B. **Impairment**

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

The Company assessed the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income 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/ 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 never actually be realised.

v) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the period. Diluted EPS is calculated by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

vi) **Employee benefits**

Retirement benefit costs and termination benefits

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

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

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

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.
The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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

Short-term and other long-term employee benefits

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

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

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

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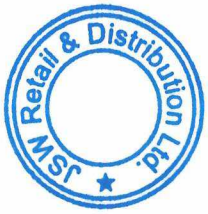
IV. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

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. (Included in Note 18)

Defined benefit plans (gratuity benefits)
The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Included in Note 22)



JSW RETAIL AND DISTRIBUTION LIMITED
Notes forming part of the financial statements for the period from March 15, 2021 to March 31, 2022

3. Trade Receivables (carried at amortized cost)

Particulars	Rs. in thousands As at March 31, 2022
Trade receivables	
Considered good - Secured	-
Considered good - Unsecured (Refer Note 18)	2,558
Which has significant increase in credit risk	-
Credit impaired	-
	2,558

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade receivables are due from firms or private companies respectively in which any director is a partner, director or a member.

Particulars	Outstanding for following periods from due date of payment				
	Less than 6months	6months -1 year	1-2 years	2-3 years	Total
Undisputed trade receivables - considered good	2,558	-	-	-	2,558
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-

4. Cash and cash equivalents

Particulars	Rs. in thousands As at March 31, 2022
Balances with bank	
- in current account	9,598
	9,598

5. Other Financial Asset

Particulars	Rs. in thousands As at March 31, 2022
Other receivable - Recoverable related to Reimbursement of Expenses (Considered good)	22,623
	22,623

6. Current Tax Assets (net)

Particulars	Rs. in thousands As at March 31, 2022
TDS receivable	9,250
	9,250

7. Other current assets

Particulars	Rs. in thousands As at March 31, 2022
Other Receivable(Recoverable from Employees)	335
	335

8. Equity share capital

Particulars	Rs. in thousands As at 31st March 2022	
	No. of Shares	Amount
(a) Authorised:		
Equity shares of Rs. 10 each	10,000	100
(b) Issued and subscribed		
Equity shares of Rs. 10 each	10,000	100
	10,000	100
(c) Reconciliation of number of shares outstanding at the beginning and at the end of the period		
At the beginning of the period	-	-
Add: Issuance of shares upon incorporation	10,000	100
Outstanding at the end of the period	10,000	100

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

The Company has 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 amount, in proportion to their shareholding. Dividend proposed on equity shares by the Board of Directors is subject to approval by shareholders at the general meeting.

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Notes forming part of the financial statements for the period from March 15, 2021 to March 31, 2022
(e) Details of shareholders holding more than 5% shares in the Company are set out below:

Particulars	As at 31st March 2022	
	No. of Shares	% of Shares
JSW Steel Limited, the Holding Company	10,000	100%

(f) Change in Promoter's shareholding as on March 31, 2022:

Promoter Name	No. of shares	% of total shares	% Change during the
JSW Steel Limited, the Holding Company	10,000	100	100

9. Other equity

Particulars	Rs. in thousands As at March 31, 2022
(a) Surplus in Retained earnings	
Opening balance	-
Add: Profit during the period	8,471
Less: Share isue expenses	15
Closing balance	8,456
(b) Other Comprehensive Income	(134)
Total (a+b)	8,322

(i) Retained Earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

10. Trade payables

Particulars	Rs. in thousands As at March 31, 2022
(a) Total outstanding, dues of micro and small enterprises	-
(b) Total outstanding, dues of creditors other than micro and small enterprises	1,685
	1,685

Payables Other than acceptances are normally settled within 1 to 30 days

Particulars	Outstanding for following periods from due date of payment				
	Less than 1year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	1,685	-	-	-	1,685
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	1,685	-	-	-	1,685

11. Other current financial liabilities

Particulars	Rs. in thousands As at March 31, 2022
Payable to employees	8,881
	8,881

12. Provisions

Particulars	Rs. in thousands As at 31st March 2022	
	Non-current	Current
Provision for leave encashment	5,277	331
Provision for gratuity	8,729	357
Provision for Special Leave Liability	431	70
Provision for Sick Leave Liability	1,821	232
	16,258	990

13. Other current liabilities

Particulars	Rs. in thousands As at 31st March 2022
Statutory dues	6,933
Advance from customer	2,290
Insurance Premium Payable	176
	9,399

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Notes forming part of the financial statements for the period from March 15, 2021 to March 31, 2022

14. Revenue from Operations

Rs. in thousands

Particulars	For the Period from March 15, 2021 to March 31, 2022
Sale of services	116,397
	116,397

Particulars	For the Period from March 15, 2021 to March 31, 2022
Revenue from contracts with customer	116,397
Total revenue from operations	**116,397**
India	116,397
Outside India	-
Total revenue from operations	**116,397**
Timing of revenue recognition	
Services transferred over time	116,397
Total revenue from operations	**116,397**

Contract Balances

Particulars	As at 31st March 2022
Trade Receivables (refer note 3)	2,558
Contract liabilities	
Advance from customers (refer note 13)	2,290

The Company does not have any adjustments between the contracted price and revenue recognized in the Statement of profit and loss account.

15. Employee benefit expense

Rs. in thousands

Particulars	For the Period from March 15, 2021 to March 31, 2022
Salaries and wages	87,066
Contribution to provident fund, gratuity & others	3,591
ESOP expenses	9,397
Staff welfare expenses	37
	100,091

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period.

16. Other expenses

Rs. in thousands

Particulars	For the Period from March 15, 2021 to March 31, 2022
Travelling expenses	3,373
Rates and Taxes	394
Audit fees (Refer Note below)	1,000
Professional Fees	20
Sales Promotion Expenses	52
Communication And Telephone Expenses	124
Miscellaneous Expenses	23
	4,986

Note - Payment to Auditors (excluding tax)

Particulars	For the Period from March 15, 2021 to March 31, 2022
Statutory audit fees	900
Tax audit fees	100
Out of Pocket Expenses	-
	1,000

17. Earnings per share

Particulars	For the Period from March 15, 2021 to March 31, 2022
Net Profit for the period (A) (Rs. In thousands)	8,337
Weighted average number of equity shares for the purpose of calculating basic and diluted earnings per share (B)	10,000
Earnings per share - basic and diluted (Face value of Rs. 10/- each) (A/B)	833.67

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JSW RETAIL AND DISTRIBUTION LIMITED

Notes forming part of the financial statements for the period from March 15, 2021 to March 31, 2022

18. Income Tax

Rs. in thousands

Particulars	For the Period from March 15, 2021 to March 31, 2022
Effective Tax Rate reconciliation	
Profit before tax	11,320
Normal tax rate	25.17%
Expected income tax expense at statutory tax rate	**2,849**
Expenses not deductible in determining taxable profit	
Tax expense for the period	2,849
Effective income tax rate	25.17%
Current tax	4,075
Deferred tax	(1,226)
	2,849

Deferred Tax Balance in relation to:	Recognised / reversed through Other Comprehensive Income	As at March 31, 2022
Tax on Remeasurements of defined benefit liability (asset)	(45)	(45)

19. Segment Reporting

The Company is in the business of marketing of steel products produced by JSW Steel Limited and its subsidiary, primarily operated in India and regularly reviewed by Chief Operating Decision Maker for assessment of Company's performance and resource allocation.

Customer contributing more than 10% of Revenue

Rs. in thousands

Particulars	For the period ended March 31,2022
JSW Steel Limited	60,529
JSW Coated Products Limited	67,840

20. Related party disclosures

A. Relationships

1. Parent Company

JSW Steel Limited

2. Fellow Subsidiary

JSW Steel Coated Products Limited

JSW One Platforms Limited

3. Key Management Personnel

a. Mr. Gautam Chainani, Director

b. Mr. Vinay Shroff, Director

c. Mr. Vineet Agrawal, Director

d. Mr. Chandrasekaran Prabhakaran, Director

B. Transactions with related parties

Rs. in thousands

Particulars	For the Period from March 15, 2021 to March 31, 2022
For Issue of Shares	
- JSW Steel Limited	100
For Business Support Services rendered for retail segment	
- JSW Steel Limited	60,529
- JSW Steel Coated Products Limited	67,840
For Reimbursement of ESOP	
- JSW Steel Limited	11,089
For Reimbursement of expenses	
- JSW One Platforms Limited	22,623

C. Balances with related parties (Includes trade receivables and others)

Rs. in thousands

Particulars	As at March 31, 2022
- JSW Steel Limited	2,558
- JSW Steel Coated Products Limited	(2,290)
- JSW One Platforms Limited	22,623

The Company has entered into an arrangement with JSW Steel Limited to provide marketing services in the retail segment to JSW Steel Limited and JSW Steel Coated Products Limited (100% subsidiary of JSW Steel Limited) to promote domestic as well as international sales of both the Companies. The remuneration for the services is on a cost plus model.

Outstanding receivables are interest-free with credit terms of 1-3 days.

The Company utilises certain facilities/resources belonging to JSW Steel Limited. However, no costs have been charged by JSW Steel Limited and accordingly no costs are incurred by the company during the period towards the same.

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Notes forming part of the financial statements for the period from March 15, 2021 to March 31, 2022

21. Ratio Analysis and Statutory Information.

S No	Ratios	Numerator	Denominator	FY 21-22
1	**Current Ratio** (Current Assets/ Current Liabilities)	44,364	20,955	2.12
2	**Debt Equity Ratio** (Total Borrowings / Total Equity)	NA	NA	NA
3	**Debt service coverage ratio** (Profit before Tax, Exceptional Items, Depreciation , Net Finance Charges / (Net Finance Charges + Long Term Borrowings scheduled 'principal repayments (excluding prepayments/ refinancing) 'during the period) (Net Finance Charges : Finance Costs - Interest Income - Net Gain /(Loss) on sale of current investments)	NA	NA	NA
4	**Return on Equity** (Profit after tax/ Average Shareholder's equity)	8,471	8,422	100.6%
5	**Inventory Turnover (no. of days)** (Average inventory / (Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories + Mining premium and royalties + Power and fuel + Stores & spares consumed + Repairs & Maintenance + Job work charges + Labour charges + MDO cost) * No. of days)	NA	NA	NA
6	**Debtors Turnover (no. of days)** (Average Trade receivables/ gross sales * No. of days)	2,558	116,397	8
7	**Net capital turnover** (Net Sales/ (Current assets - current liabilities)	116,397	23,409	4.97
8	**Net Profit Margin (%)** (Net profit for the period/ year)/ Revenue from operations)	8,471	116,397	7.3%
9	**Return on capital employed** (Net Profit for the period/ Capital employed)	8,471	8,422	100.6%
10	**Return on Investment** (MV(t1)-MV(t0))/MV(t0)	NA	NA	NA

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JSW Retail & Distribution Ltd.

JSW RETAIL AND DISTRIBUTION LIMITED
Notes forming part of the financial statements for the period from March 15, 2021 to March 31, 2022

22. Employee Benefit Expenses

a. Defined Contribution Plan: Provident Fund

The Company operates defined contribution retirement benefit plans for all qualifying employees.
Company's contribution towards Provident Fund and family pension scheme recognized in statement of profit and loss amounts to Rs. 2,513 thousand. (Included in Note 15)

b. Defined Benefit Plan: Gratuity and Others

The Company operates defined benefit plans, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at the rate of 15 days of last drawn salary for each completed year of service.

The employees of JSW One Platforms Limited ('JSW One') were transferred to the Company w.e.f. September 1, 2022 ('transfer date'). Further all the expenditure pertaining to period up to transfer date were accounted by JSW one and liabilities as on September 1, 2022 were transferred to the Company.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for gratuity.

Rs. In thousands

a) Liability recognized in the Balance Sheet	As at March 31, 2022
Present value of obligation	
Opening Balance	-
Service Cost	1,332
Interest Cost	493
Actuarial loss on obligation	179
Benefits paid	-
Liability as at September 1, 2021 transferred from JSW One	7,082
Liability Transferred out	-
Closing Balance	9,086
	-
Amount recognized in Balance Sheet	9,086

b) Expenses during the year	
Service cost	1,332
Interest cost	493
Expected Return on Plan assets	-
Component of defined benefit cost recognized in statement of profit and loss	990
Expenditure accounted by JSW One	835
Remeasurement of net defined benefit liability	
Actuarial (gain)/loss on defined benefit obligation	179
Return on plan assets (excluding interest income)	-
Component of defined benefit cost recognised in other comprehensive income	179
Total	**1,169**

c) Principal actuarial assumptions	
Rate of Discounting	7.23%
Rate of increase in salaries	6.00%
Attrition Rate	5.00%
Mortality Rate during Employment	Indian Assured Lives Mortality 2012-14 (Urban)

Other disclosures:

Particulars	As at March 31, 2022
Defined Benefit Obligation	9,086
Plan Assets	-
Surplus / (Deficit)	(9,086)
Experience Adjustments on Plan Liabilities – Loss/(Gain)	179
Experience Adjustments on Plan Assets – Gain/(Loss)	-

Sensitivity Analysis

	Increase	Decrease
Discount rate (+0.1% movement)	(826)	963
Future salary growth (+0.1% movement)	966	(842)
Attrition rate (+0.1% movement)	39	(51)

Maturity analysis of projected benefit obligation

less then 1 year	357
1 to 5 yrs	2,143
Overs 5 yrs	19,208

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23. Employee share based payment plans

OPJ ESOP PLAN 2021:

The Board of Directors of JSW Steel Limited (Holding Company) at its meeting held on 21st July, 2021, formulated "SHRI OP JINDAL EMPLOYEES STOCK OWNERSHIP PLAN (JSWSL) 2021 ("OPJ ESOP PLAN 2021"). At the said meeting, the Board authorized the ESOP Committee for the superintendence of the ESOP Plan.

The said scheme is for employees of the Company and its subsidiaries in the grade of L16 (Vice President - VP) and above and select high performing employees in the grade L11 to L15 (Senior Manager to Associate Vice President)

The eligible employees can exercise the option from August 07, 2022 till August 07, 2026 (for 25% of grant), from August 07, 2023 till August 07, 2027 (for 25% of grant) and from August 07, 2024 till August 07, 2028 (for remaining 50% of grant)

A total of 1,800 options for equity shares having face value of Re. 1 per share were granted to the eligible employees of the Company under the 1st grant.

The Fair Value of option on the date of each grant is determined by using Black Scholes model

JSWSL OPJ SAMRUDDHI PLAN 2021:

The Board of Directors of JSW Steel Limited (Holding Company) at its meeting held on 21st July, 2021, formulated "JSWSL SHRI OP JINDAL SAMRUDDHI PLAN 2021 ("JSWSL OPJ SAMRUDDHI PLAN 2021"). At the said meeting, the Board authorized the ESOP Committee for the superintendence of the ESOP Plan.

The said scheme is for employees of the Company and its subsidiaries in the grade of L15 (Associate Vice President - AVP) and below who have not been covered under OPJ ESOP Plan 2021

The eligible employees can exercise the option from August 07, 2023 till August 07, 2027 (for 25% of grant), from August 07, 2024 till August 07, 2028 (for 25% of grant) and from August 07, 2025 till August 07, 2029 (for remaining 50% of grant)

A total of 65,750 options for equity shares having face value of Re. 1 per share were granted to the eligible employees of the Company.

The Fair Value of option on the date of each grant is determined by using Black Scholes model.

The details of the Share based payment plan are as follows:

Particulars	Year	ESOP PLAN 2021	SAMRUDDHI PLAN 2021 (AVP & below)
Date of grant		7-Aug-21	7-Aug-21
Opening Balance as on	**1-Apr-21**	-	-
Allotted		Nil	Nil
Transfer to JSW Steel/ others		Nil	Nil
Transfer from JSW Steel		1,800	65,750
Forfeited during the period		Nil	Nil
Lapsed during the period		Nil	1,900
Exercised during the period		-	-
Outstanding as on	**31-Mar-22**	**1,800**	**63,850**
Exercisable as on	31-Mar-22	Nil	Nil
Vesting Period	31-Mar-22	August 07, 2022 till August 07, 2026 (for 25% of grant), August 07, 2023 till August 07, 2027 (for 25% of grant) and from August 07, 2024 till August 07, 2028 (for remaining 50% of grant)	August 07, 2023 till August 07, 2027 (for 25% of grant), from August 07, 2024 till August 07, 2028 (for 25% of grant) and from August 07, 2025 till August 07, 2029 (for remaining 50% of grant)
Method of settlement		Equity	Equity
Exercise Price		1	1
Fair Value as on the Date of Grant		722.67	716.46

Note - The company has recognised an expense of Rs. 9,397 thousands towards share based payments transactions based on charge received from holding company (i.e. JSW Steel Limited) corresponding liability is recognised in the books of Holding company.

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JSW RETAIL AND DISTRIBUTION LIMITED

Notes forming part of the financial statements for the period from March 15, 2021 to March 31, 2022

24. Financial instruments – fair values and risk management

A. Capital management

The Company manages its capital to ensure that it will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the equity balance. The capital structure of the Company consists of equity.

B. Categories of financial instruments

Carrying amounts of financial assets and financial liabilities are presented below:

Rs in thousands

Particulars	Amortised Cost	Fair value through other comprehensive income	Fair value through profit & loss	Total Carrying Value	As at March 31, 2022
Financial asset					
Measured at amortised cost					
Cash and cash equivalents	9,598	-	-	9,598	9,598
Trade receivables	2,558	-	-	2,558	2,558
Other financial asset	22,623	-	-	22,623	22,623
Financial liability					
Measured at amortised cost					
Trade payables	1,685	-	-	1,685	1,685
Other financial liabilities	8,881	-	-	8,881	8,881

The management consider that due to short-term maturities, the carrying amounts of financial asset and financial liability recognized in the financial statements approximate their fair values.

C. Fair Value hierarchy of financial instruments

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 the same as their fair values, due to their short term nature.

A significant part of the financial assets is classified as Leve 1 and Level 2. The fair value of these assets is marked to an active market or based on observable market data which factors the uncertainties arising out of COVID-19. The financial assets carried at fair value by the Company are mainly investments in equity instruments, debt securities and derivatives, accordingly, any material volatility is not expected.

D. 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 Company is presently exposed to credit risk arising from trade receivables and other financial assets and liquidity risk. The risk mitigation policies aim to mitigate the credit risk based on Company's current activities.

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.

Company's credit risk arises principally from cash and cash equivalents, trade and other receivables.

The Company maintains its cash and cash equivalents with credit worth bank and reviews it on ongoing basis.

The Company's trade and other receivables are outstanding from the holding and fellow subsidiary company. The management believes that the risk of default on the same is low.

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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 requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects.

The Company remains committed to maintain a healthy liquidity, gearing ratio and strengthening the balance sheet. The maturity profile of the Company's financial liability based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect contractual undiscounted cash obligation of the company.

Liquidity exposure as at March 31, 2022 — **Rs. In thousands**

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial Assets				
Trade receivables	2,558	-	-	2,558
Cash and cash equivalents	9,598	-	-	9,598
Other financial assets	22,623	-	-	22,623
Total financial assets	**34,779**	-	-	**34,779**
Financial Liabilities				
Trade Payable	1,685	-	-	1,685
Other financial liabilities	8,881	-	-	8,881
Total financial liabilities	**10,566**	-	-	**10,566**

The management believes that the Company will be able to meet its obligations on timely basis.

25. Events after reporting period

There are no significant events which have occurred after the reporting period.

26. Qualitative disclosures pertaining to Schedule III

(i) The Company do not have Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company have not traded or invested in Crypto or Virtual Currency during the financial year.

(V) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) direclty or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company have not received any fund from any person(s) or entit(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarntee, security or the like on the behalf of the Ultimate Beneficiaries.

(vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or any other relevant provisions of the Income Tax Act, 1961.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Anant Acharya
Partner
Membership No. 124790

Place: Mumbai
Date: May 23, 2022

For and on behalf of the Board of Directors

Vinay Shroff
Director
DIN No. 00081501

Chandrasekaran Prabhakaran
Director
DIN No. 03573049