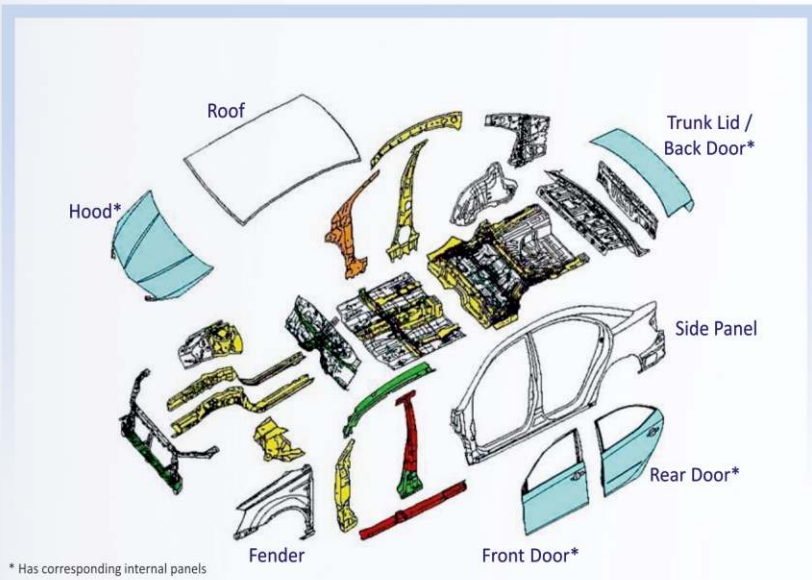


JCAPCPL

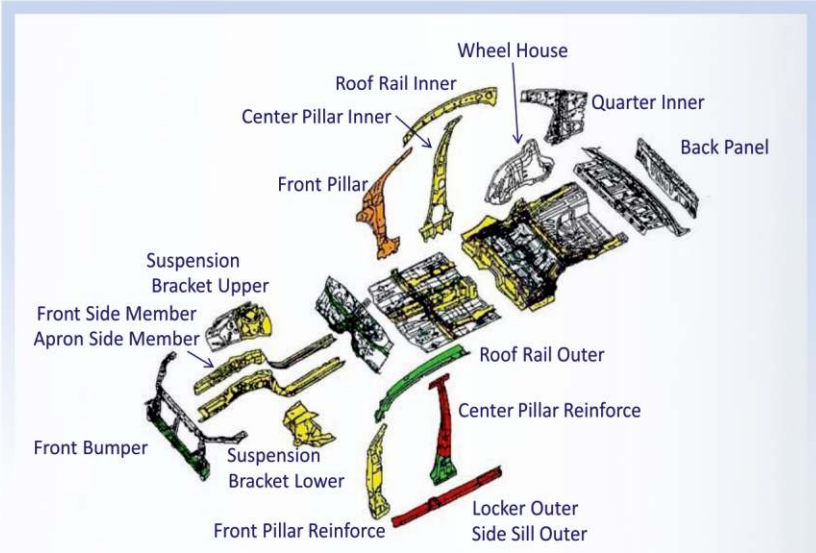
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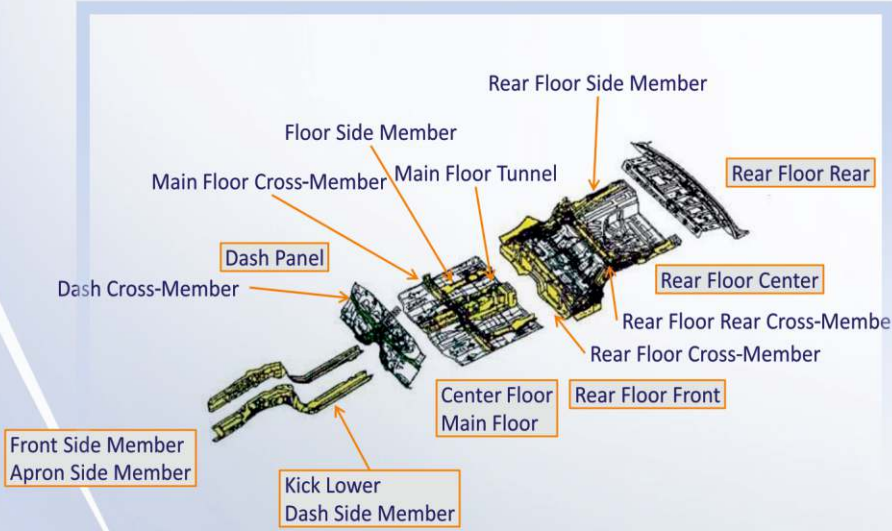
**JAMSHEDPUR CONTINUOUS ANNEALING
& PROCESSING COMPANY PRIVATE LIMITED**



Skin Panels



Structural Component – Upper Body



Structural Component – Lower Body

ABOUT JCAPCPL



Incorporated in 2011, Jamshedpur Continuous Annealing & Processing Company Private Limited (JCAPCPL) is a Joint Venture between Tata Steel Limited (51%) and Nippon Steel Corporation (49%) catering to India's growing demand for high grade Automotive CR Steels, thereby enabling Automotive OEMs to address their strategic objective of increased localization.

JCAPCPL with its state of the art manufacturing facility at Jamshedpur caters to demand for high quality cold rolled steels of Automotive OEMs and the passenger car segment.

The main advantages of CAPL over conventional batch annealing are its capability to produce advance high strength steel thereby reducing weight of passanger vehicles, uniformity of mechanical properties, better surface quality, excellent flatness and good weldability, which are critical for subsequent manufacturing process of Automotive OEMs.

About **TATA STEEL LIMITED (TSL)**



TATA STEEL

Established in Jamshedpur in 1907, Tata Steel, a company that took shape from the vision of Jamsetji N. Tata, is today a global business enterprise having products and services in over 150 countries. Being the world's second most geographically diversified steel producer, it operates in 26 countries, has commercial presence in over 50 countries and employees spread across five continents. TSL is among the top global steel companies with an annual crude steel capacity of 33 Mn TPA. TSL Group recorded a consolidated turnover of Rs. 156,294 crore in FY21.

About **TATA STEEL DOWNSTREAM PRODUCTS LIMITED (TSDPL)**



TATA STEEL DOWNSTREAM PRODUCTS LIMITED

Tata Steel formed a 50:50 joint venture in 1997 with Ryerson Inc., USA, (North America's largest metals processor and distributor with more than 100 service centers in USA, Canada & Mexico), to promote a Steel Service Company, christened Tata Ryerson Limited.

The Company became a wholly owned subsidiary of Tata Steel in 2009 and acquired a new name, Tata Steel Processing & Distribution Limited, from January, 2010. The Company again changed its name to Tata Steel Downstream Products Limited (TSDPL) in December, 2019.

TSDPL operates in the organized steel processing and distribution market in India offering its products and services to steel producers and steel consumers. Its business is supported by 14 sales offices and 10 processing facilities close to the Mill or the OEMs. TSDPL operates as part of steel supply chain as intermediary (bridge) between steel suppliers and the customer who use the processed steel in desired shape and size.

TSDPL operates on predominately two business models Tolling and Distribution where majority of the business comes from the automotive industry. In FY18, TSDPL entered into a new market of "Services and Solutions".

As the largest Steel Service Centre in the country and the largest SPC of TSL, TSDPL's tolling and Distribution volumes have grown steadily over the years. In FY21 TSDPL processed and distributed 2.6 Million tons with a total turnover of Rs 3624 Cr.

About **NIPPON STEEL CORPORATION (NSC)**



NIPPON STEEL CORPORATION

Nippon Steel Corporation (NSC) is an integrated steel producer. NSC makes a wide range of value added steel products, in more than 15 countries as well as at 6 steel works (21 locations) in Japan. It emphasizes three business fields as key strategic areas: High Grade Steel Products for Automobiles, resources and energy and civil engineering, construction and railways. The NSC Group employs approximately 106,226 persons. NSC posted JPY4,829 billion in revenue with its crude steel production of 38 million Tons on a consolidated basis for the fiscal year ended March 31, 2021.

Milestones of JCAPCPL

2011-12

- Ground Breaking
- Concrete Pouring

2013-14

- Cold Run
- Hot Run

2015-16

- First Automotive Rail Despatch
- First Skin Panel Production
- ISO TS Certification
- BIS Certification

2017-18

- "Best Raw Material Supplier" Award from Toyota Kirloskar Motor
- "Par Excellence Award" at the National Quality Circle Convention
- "Strong Commitment to HR" from CII, National HR Excellence Award

2019-20

- Company's Lab has received accreditation from Toyota, Japan
- Certificate from Toyota for achieving target in Quality
- Certificate of Appreciation from Hyundai
- Achieved cumulative Automotive Sales of 8,50,000 tons

2012-13

- Furnace & Equipment erection
- 33KV GIS Charging Permanent Power station installed

2014-15

- First Automotive Coil Produced
- First Coil Despatch
- Inauguration of JCAPCPL plant

2016-17

- ZERO PPM Supply to Toyota & Nissan
- Achieved cumulative Automotive Sales of 1,00,000 tons
- Implementation of SAP HANA

2018-19

- Certificate for "Achieving targets in the category of Quality" from Toyota Kirloskar Motor
- Won Gold & Silver Awards at International Convention for Quality, Singapore
- Commended with "Significant Achievement in HR Excellence" at CII National HR Excellence Award
- Achieved cumulative Automotive Sales of 6,00,000 tons

2020-21

- Certificate from Toyota for Zero defect supplier
- Best ever Net Profits of Rs. 20616.19 Lakh
- Best ever annual Automotive CR production of ~3,93,436 tons
- Achieved cumulative Automotive sales of 10,00,000 tons

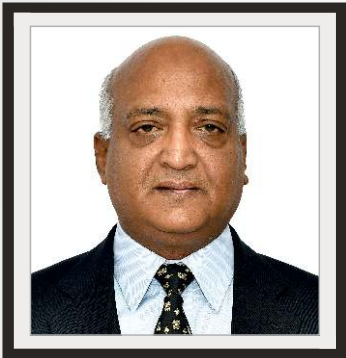
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Board of Directors (as on 13.07.2021)



Mr. Hiroshi Ebina



Mr. Rajeev Singhal



Mr. Dibyendu Dutta



Mr. Soichi Yonezawa



Ms. Jaya Singh Panda



Mr. Ujjal Chakraborti



Mr. Junichi Matsunaga

Management Team (as on 13.07.2021)



Mr. Ujjal Chakraborti
Managing Director



Mr. Junichi Matsunaga
Executive Director



Mr. Pranav Kumar Jha
Chief Financial Officer



Mr. Ajay Gupta
AGM
(M&S, PPSD and Information Technology)



Mr. Avik Chatterjee
AGM (Human Resources
Management & Administration)



Mr. Kirit B. Daxini
AGM (EHS & Maintenance)



Mr. Vikal Mahendra
AGM (Operations)



Mr. P. Thangaraj
AGM (Application Engineering & QA)

Corporate Information (as on 13.07.2021)

Board of Directors

- Mr. Hiroshi Ebina - Chairman
- Mr. Rajeev Singhal
- Mr. Dibyendu Dutta
- Mr. Soichi Yonezawa
- Ms. Jaya Singh Panda
- Mr. Ujjal Chakraborti - Managing Director
- Mr. Junichi Matsunaga - Executive Director

Management Team

- Mr. Ujjal Chakraborti - Managing Director
- Mr. Junichi Matsunaga - Executive Director
- Mr. Pranav Kumar Jha - Chief Financial Officer
- Mr. Ajay Gupta - AGM (M&S, PPSD and IT)
- Mr. Avik Chatterjee - AGM (HRM & Administration)
- Mr. Kirit B. Daxini - AGM (EHS & Maintenance)
- Mr. Vikal Mahendra - AGM (Operations)
- Mr. P. Thangaraj - AGM (Application Engineering & QA)

Chief Financial Officer

- Mr. Pranav Kumar Jha

Company Secretary

- Mr. Prashant Kumar

Bankers

- Japan Bank for International Cooperation
- MIZUHO Bank Ltd
- MUFG Bank
- ICICI Bank
- Punjab National Bank
- Kotak Mahindra Bank
- HDFC Bank
- Export- Import Bank of India
- Tata Capital Financial Services Limited
- Standard Chartered Bank
- Sumitomo Mitsui Banking Corporation

Registered Office

5th floor, Tata Centre
43, Jawahar Lal Nehru Road, Kolkata, West Bengal- 700071
Email: communication@jcapcpl.com
CIN: U27310WB2011PTC160845
Phone No: 033-46025123

Board Committees

Audit Committee

- Mr. Dibyendu Dutta, Chairman
- Mr. Hiroshi Ebina, Member
- Mr. Rajeev Singhal, Member

Nomination & Remuneration Committee

- Mr. Rajeev Singhal, Chairman
- Mr. Dibyendu Dutta, Member
- Mr. Soichi Yonezawa, Member

Corporate Social Responsibility Committee

- Mr. Dibyendu Dutta, Chairman
- Mr. Soichi Yonezawa, Member
- Mr. Ujjal Chakraborti, Member

Statutory Auditor

- Price Waterhouse & Co. Chartered Accountants LLP

Internal Auditor

- Ernst & Young LLP, Chartered Accountants

Secretarial Auditor

- Sital Prasad Swain, Practicing Company Secretary

Cost Auditor

- Shome & Banerjee, Cost Accountants

Registrar & Share Transfer Agent

- TSR Darashaw Consultants Pvt. Limited

Factory & Works

Mailing Box No. W-251 At Tata Steel Works
East Singhbhum, Jamshedpur, Jharkhand -831001
Website: www.jcapcpl.com
Phone no : +91 9031000750

Continuous Annealing and Processing Line

World Class Cold Rolled Automotive Steel in India

Chairman's Statement

Dear Shareholders,

Greetings to all of you.

It is my pleasure to present to you the Annual Report for the Financial Year ended March 31, 2021.

During FY21, the Indian Automotive industry Passenger vehicles (PVs) segment registered a decline of 10.6% in production over the previous financial year. Domestic sales of PVs declined marginally by 2.2% (FY 20: growth of 2.7%). The export of PVs witnessed a decline of 38.9% over the previous year.

In Q1/FY21, due to COVID 19 pandemic, lockdown was declared by government of India from last week of Mar'20. For the first time in the history of automotive sector PVs Production and PVs sales number was zero in the month of April'20.

In Q2/FY21, targeting upcoming festive season, OEMs accelerated PVs production and built stocks at Dealers' end resulting in PVs wholesale market growth by +14% for the month of August'20.

In Q3/FY 21, the 42-days festive period saw good traction as a result of the new goal of safer means of travel for the entire family. PVs sales grew in double digits at 13.6% over the last year's festive period.

In Q4/FY21, due to shortage of semiconductors, and rapid increase of commodity price, waiting period on some models were as high as eight months and a survey shows that 50% dealers lost more than 20% sales due to non-availability of vehicles. The average PVs inventory at dealer end during these months was observed to be at the very low level of 10-15 days.

Passenger cars production in FY21 decreased by 17.8% and Vans production in FY21 decreased by 18.5% compared to last year. UVs production in FY21 saw an increase of 4 % compared to last year. UVs demand has grown in India whereas the demand for Passenger cars declined.

At domestic front, India's economy recorded a positive GDP growth in Q3 FY 2021, created a positive sentiment driven by easing of lockdowns, re-opening of businesses and improvement in the availability of finance from banks and internal sources. In the April-June quarter, the economy contracted by the steepest ever 24.4 per cent, and 7.3 per cent in the September quarter. However, in October-December it came back in positive territory with 0.4 per cent growth.

Now, economic activity seemed to be gathering momentum at a sustainable pace with people demonstrating greater confidence in stepping out and spending. The vaccination drive has made good progress too.

In FY 21, the Company posted a revenue of Rs. 2,16,895.35 Lakh, and an EBITDA of Rs. 38,487.19 Lakh (Operational EBITDA was Rs 38,068.02 Lakh, excluding impact of Mark to Market loss on its Derivatives) as against a revenue of Rs. 1,88,808.42 Lakh and EBITDA of Rs. 18,622.24 Lakh (Operational EBITDA was Rs 19,980.14 Lakh, excluding impact of Mark to Market gain on its Derivatives in FY20). The Company posted a net profit (Profit after Tax) of Rs 20,616.19 Lakh in FY 21, as against a loss (Loss after Tax) of Rs. 683.37 Lakh in FY20.

The Company's employees CSR Club, Ummeed, which promotes and encourages employee participation in various CSR projects, carried out a few activities during FY21 at Jamshedpur. During the year under review, due to the restrictions imposed due to Covid-19 pandemic your Company were not able to undertake any major CSR initiatives. However, despite this your Company has recorded 61 Volunteering hours of community activities and services under the Tata Volunteering Weeks.

Your Company will continue its journey seeking improvements in safety, product quality, operational efficiencies and productivity, delivery management and order compliance, cost control, and enrichment of customer satisfaction and business performance.

Mr. C.V. Sastry, Ex-Managing Director has demised on June 6, 2021. On behalf of your Company, the Board of Directors expressed their heartfelt condolence and placed on record the invaluable contribution made by Mr. Sastry since the inception of the Company. The values and guiding principles of Mr. Sastry shall be the torch bearer for the Company.

On behalf of the Board, I would like to express my sincere gratitude and thanks to all Stakeholders and Partners, Promoters – Tata Steel Limited, Tata Steel Downstream Products Limited and Nippon Steel Corporation, Customers, Supplier Partners, Financial Institutions, Bankers, the Employee's Union and all employees and business associates of the Company for extending their invaluable support.

For and on behalf of the Board of Directors

(Hiroshi Ebina)
Chairman
DIN: 08224876

Dated : July 13, 2021



NOTICE TO THE MEMBERS

Notice is hereby given that the Tenth Annual General Meeting of M/s Jamshedpur Continuous Annealing & Processing Company Private Limited will be held on Tuesday, July 13, 2021 at 1.00 p.m. (IST) through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) at a shorter notice to transact the following business:

ORDINARY BUSINESS

Item No.1 – Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2021 together with the Reports of the Board of Directors and Auditors thereon.

Item No.2 – Re-appointment of Director

To appoint a Director in place of Mr. Hiroshi Ebina (DIN-08224876), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

Item No.3 – Re-appointment of Director

To appoint a Director in place of Mr. Soichi Yonezawa (DIN-07130030), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

SPECIAL BUSINESS

Item No. 4- Revision in terms of Remuneration of Mr. C. V. Sastry (DIN: 03434562), Ex-Managing Director of the Company

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

“RESOLVED THAT in partial modification of the resolution(s) passed by the Members at 7th Annual General Meeting of the Company held on August 28, 2018 re-appointing Mr. C. V. Sastry as Managing Director of the Company and approving the terms of remuneration payable to him including the partial modification thereto at 8th Annual General Meeting of the Company held on July 9, 2019, and pursuant to Sections 196, 197, 202 and 203 and all other applicable provisions of the Companies Act, 2013 (Act) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, including the remuneration to be paid in the event of loss or inadequacy of profits, with the liberty to the Board (including its Committee) to alter and vary the term and conditions in such a manner so as to not exceed the limits specified under various provisions of the Act the Company hereby approves with effect from April 1, 2021, the revision in terms of remuneration of Mr. C. V. Sastry, as detailed in the statement forming part of this Notice.

RESOLVED FURTHER THAT the Board of Directors of the Company (including Committees thereof) be and is hereby authorized to do all such acts, deeds and take all such steps as may be considered necessary, proper or expedient to give effect to the resolution(s)“.

Item No. 5- Appointment of Mr. Ujjal Chakraborti (DIN: 07854466), as Director of the Company

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

“RESOLVED THAT Mr. Ujjal Chakraborti (DIN-07854466), who was appointed by the Board of Directors as an Additional Director of the Company with effect from June 14, 2021 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (‘Act’) read with Article 32 of the Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company, be and is hereby appointed as a Director of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including Committees thereof) be and is hereby authorized to do all such acts, deeds and take all such steps as may be considered necessary, proper or expedient to give effect to the resolution(s)“.

Item No. 6- Appointment of Mr. Ujjal Chakraborti (DIN:07854466) as Managing Director of the Company

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

“RESOLVED THAT subject to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 (Act) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, consent of the Members be and is hereby accorded to the appointment of Mr. Ujjal Chakraborti (DIN:07854466), as Managing Director of the Company with effect from June 14, 2021 till June 13, 2024, not liable to retire by rotation, upon the term and conditions as set out in the statement annexed to the Notice convening 10th Annual General Meeting of the Company, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of Mr. Chakraborti within the overall limits of Section 197 read with Schedule V to the Act, as recommended by the Nomination & Remuneration Committee, with the liberty to the Board (including its Committee) to alter and vary the term and conditions of the said appointment in such a manner so as to not exceed the limits specified under the provisions of the Act and as may be agreed to between the Board and Mr. Ujjal Chakraborti.

RESOLVED FURTHER THAT the Board of Directors of the Company (including Committees thereof) be and is hereby authorized to do all such acts, deeds and take all such steps as may be considered necessary, proper or expedient to give effect to the resolution(s)“.

Item No. 7- Appointment of Mr. Junichi Matsunaga (DIN-09119707), as Director of the Company

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

“RESOLVED THAT Mr. Junichi Matsunaga (DIN-09119707), who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 15, 2021 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (‘Act’) read with Article 32 of the Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company, be and is hereby appointed as a Director of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including Committees thereof) be and is hereby authorized to do all such acts, deeds and take all such steps as may be considered necessary, proper or expedient to give effect to the resolution(s)“.

Item No. 8- Appointment of Mr. Junichi Matsunaga (DIN: 09119707), as Executive Director of the Company

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

“RESOLVED THAT subject to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 (Act) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and approval by the Central Government, consent of the Members be and is hereby accorded to the appointment of Mr. Junichi Matsunaga (DIN-09119707), as Executive Director of the Company with effect from April 15, 2021 March 31, 2023, not liable to retire by rotation, upon the term and conditions as set out in the statement annexed to the Notice convening 10th Annual General Meeting of the Company, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of Mr. Matsunaga within the overall limits of Section 197 read with Schedule V to the Act, as recommended by the Nomination & Remuneration Committee, with the liberty to the Board (including its Committee) to alter and vary the term and conditions of the said appointment in such a manner so as to not exceed the limits specified under the provisions of the Act and as may be agreed to between the Board and Mr. Junichi Matsunaga.

RESOLVED FURTHER THAT the Board of Directors of the Company (including Committees thereof) be and is hereby authorized to do all such acts, deeds and take all such steps as may be considered necessary, proper or expedient to give effect to the resolution(s)“.

Item No. 9 – Ratification of Remuneration to the Cost Auditor

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

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s)

thereof for the time being in force, the Company hereby ratifies the remuneration of Rs. 1.80 lakh (Rupees One Lakh Eighty Thousand only) plus applicable Taxes and out-of-pocket expenses incurred in connection with the Cost Audit, payable to M/s Shome & Banerjee, Cost Accountants, Kolkata (Firm Registration No. 000001), who have been appointed by the Board of Directors on the recommendation of the Audit Committee as Cost Auditors to conduct the audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended, for the Financial Year ending March 31, 2022.

RESOLVED FURTHER THAT the Board of Directors of the Company (including Committees thereof) be and is hereby authorized to do all such acts, deeds and take all such steps as may be considered necessary, proper or expedient to give effect to the resolution(s)".

Dated: July 13, 2021

By Order of the Board of Directors

CIN: U27310WB2011PTC160845

Registered Office:

Tata Centre, 5th Floor,
43, Jawaharlal Nehru Road,
Kolkata – 700 071

(Prashant Kumar)
Company Secretary
(Membership No: A19510)

Notes :

1. The respective Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013 ("Act"), in respect of the business under Item Nos. 4 to 9 of the accompanying Notice are annexed hereto.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its Circular Nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 read with Circular Nos. 20/2020 dated May 5, 2020 and 02/2021 dated January 13, 2021 (collectively referred to as 'MCA Circulars'), have permitted the holding of Annual General Meeting through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In accordance with the MCA Circulars, the 10th Annual General Meeting of the Company is being held through VC / OAVM on Tuesday, July 13, 2021 at 1.00 p.m. (IST). The deemed venue for the 10th Annual General Meeting shall be 5th Floor, Tata Centre, 43, Jawahar Lal Nehru Road, Kolkata- 700071.
3. The relevant details pursuant to the applicable Secretarial Standard on the General Meeting issued by the Institute of Company Secretaries of India ("ICSI"), in respect to Director/s seeking appointment/ re-appointment at this AGM are annexed herewith.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote at the meeting and the proxy is not required to be a Member. Since this AGM is being held pursuant to the applicable MCA Circulars through AV /OAVM, physical attendance of the 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.
5. Facility for joining the AGM through AV /OAVM shall open 15 minutes before the scheduled time and 15 minutes after the scheduled time for the AGM and shall be available on a 'first come first served' basis.
6. Members attending the meeting through audio-visual means shall be counted for the purpose of quorum under Section 103 of the Act.
7. Voting on each resolution will be done by show of hands by Members during the Meeting.
8. If a poll is demanded under Section 109 of the Act, the designated email id of the Company viz. prashant.kumar@jcapcpl.com will be used for voting purposes.
9. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, July 9, 2021 to Tuesday, July 13, 2021 (both days inclusive).
10. In compliance with the MCA Circulars, the Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice of the AGM along with Annual Report will also be available at the Company's website viz.,www.jcapcpl.com.
11. Institutional/ Corporate Shareholders are required to send a certified copy of the Board/ Governing body Resolution / Authorisation etc. to the Company on e-mail id prashant.kumar@jcapcpl.com authorising its representative to attend the AGM through audio-visual means, on its behalf and vote thereat.
12. Members can post their questions in advance at the above-mentioned email, in relation to the items of business proposed to be placed at the Meeting. Members desirous of any information on the accounts at the meeting are requested to send their queries at least 10 days before the meeting. They can post their queries on the same email Id or during the meeting as well.

13. The manner in which members can participate in the AGM through AV is given hereunder:
- i. The Members will be provided with a facility to attend the AGM through AV using 'Microsoft Teams', which is a two-way audio-visual conferencing facility. The weblink for the same is sent to the members on their registered e-mail address along with the notice of the AGM and Annual Report for Financial Year 2020-21.
 - ii. Members are encouraged to join the Meeting through Laptops having webcam for better experience.
 - iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - iv. 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.
 - v. The Members who would like to express their views/ have questions may send their questions in advance mentioning their name, demat account number/ folio number, email id, mobile number at prashant.kumar@jcapcpl.com The same will be replied by the Company suitably during the AGM.
- If any member wishes to inspect any documents pursuant to the resolutions set out in this notice, may do so by sending the request to the authorized signatory of the Company at prashant.kumar@jcapcpl.com
14. In case of any queries with respect to joining the meeting, the Members may write to the Company at prashant.kumar@jcapcpl.com or call at +919234587460 (Mr. Prashant Kumar) for any support before or during the meeting.

By Order of the Board of Directors

(Prashant Kumar)
Company Secretary
(Membership No: A19510)

Dated: July 13, 2021

CIN: U27310WB2011PTC160845

Registered Office:

Tata Centre, 5th Floor,
43, Jawaharlal Nehru Road,
Kolkata – 700 071

Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013, the following explanatory statements set out all material facts relating to the special business mentioned under Item Nos. 4 to 9 of the accompanying Notice dated July 13, 2021.

Item No. 4

The members of the Company at the 7th Annual General Meeting of the Company held on August 28, 2018, while approving the re-appointment of Mr. C. V. Sastry as the Managing Director of the Company also approved the terms of remuneration payable to him during his tenure. Further, the Members at the 8th Annual General Meeting of the Company held on July 9, 2019 had also partially modified the terms of remuneration payable to Mr. Sastry.

At the 7th Annual General Meeting held on August 28, 2018 the Members inter- alia approved, monthly Basic Salary in the scale of INR 3,00,000/- per month (Rupees Three Lakh only) to INR 4,75,000/- per month (Rupees Four Lakh Seventy Five Thousand only) with the authority to the Board, including its' Committee, to fix the monthly Basic Salary within the aforesaid scale from time to time.

Post the Annual increment for FY22, effective April 1, 2021 the monthly Basic Salary of Mr. C. V. Sastry has exceeded the maximum limit of INR 4,75,000 per month (Rupees Four Lakh Seventy Five Thousand only). Therefore, in order to enable the Company to pay increased Remuneration to Mr. Sastry with effect from April 1, 2021 till the date of his demise, the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the Shareholders at the forthcoming Annual General Meeting, had decided to revise Mr. Sastry's monthly Basic Salary scale in the range of INR 4,00,000/- per month (Rupees Four Lakh only) to INR 7,00,000/- per month (Rupees Seven Lakh only) with effect from April 1, 2021.

All other terms and conditions relating to his re-appointment and remuneration, as approved earlier by the members, shall remain unchanged.

Accordingly, consent of the Members is sought for passing Special Resolution as set out at Item No. 4 of the Notice.

The proposed resolution(s) is in the interest of the Company, and your Board recommends the resolution(s) set forth in Item No. 4 for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested in the resolution(s) mentioned at Item No. 4 of the Notice.

Item Nos. 5 & 6

Mr. Ujjal Chakraborti (DIN: 07854466) was appointed as an Additional Director of the Company effective June 14, 2021, and subsequently he was appointed as the Managing Director of the Company for a period of three years effective June 14, 2021 through June 13, 2024, subject to the approval of shareholders by Special Resolution. The Company has received from Mr. Ujjal (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act.

The profile and specific areas of expertise of Mr. Ujjal Chakaraboti are as follows:

Name	Ujjal Chakraborti
Date of Birth	December 14, 1968
Date of Appointment	June 14, 2021
Qualification	Electrical Engineering (BTech.) from Indian Institute of Engineering Science and Technology (IIE ST), Shibpur, Diploma in Business Administration (MBA) from XLRI, Jamshedpur.
Expertise in specific functional area	Operations, Supply Chain, Business Analysis, Project Management & Controlling functions of Steel Plant
Directorship held on other companies as on the date of appointment	NIL
Shareholding in the Company as on the date of appointment	NIL
Relationship between Directors inter-se	NIL
Category	Promoter, Non-Independent, Managing Director

The key terms and condition for appointment of Mr. Ujjal Chakraborti are as hereunder:

- a. Contract Period: 3 (Three) years effective June 14, 2021 through June 13, 2024.
- b. Duties:
 - (i) Mr. Ujjal Chakraborti shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Chairman and the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Chairman/Board in connection with and in the best interests of the business of the Company, including performing duties as assigned to the MD from time to time.
 - (ii) Mr. Ujjal Chakraborti undertakes to employ the best of his skill and ability and to make his utmost endeavours to promote the interests and welfare of the Company and to conform to and comply with the policies and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.
- c. Remuneration Package:
 - (i) Basic Salary: Currently Rs. 3,28,000/- per month, subject to such increment as may be decided by the Nomination & Remuneration Committee and the Board.
 - (ii) Deputation Cost: Deputation cost of Rs.1,77,39,305/- per annum to be reimbursed by the Company to Tata Steel Limited. The MD is eligible for annual increment and/or performance bonus and other benefits as may be decided by the Nomination and Remuneration Committee and the Board.
 - (iii) Minimum Remuneration: In the event of absence or inadequacy of profits of the Company in any financial year during the period of Mr. Chakraborti's appointment, the Company shall pay to the MD remuneration by way of salary, benefits, perquisites and allowances, performance linked bonus/commission, as specified above, subject to provisions of the Companies Act, 2013.
 - (iv) Mr. Chakraborti shall not, so long as he functions as the Managing Director of the Company be entitled to receive any fee for attending any meetings of the Board or any Committee thereof.
 - (v) Mr. Ujjal Chakraborti as Managing Director would be entitled to Long Term Incentive Plan (LTIP) as per the Tata Steel Group Company's norms, subject to the approval and discretion of the Board of Directors of the Company. This would be applicable in lieu of the Special Retirement Benefits for MD/ED as per the Tata Group norms.

Information relevant to the appointment of Mr. Ujjal Chakraborti (DIN: 07854466) as the Managing Director, as required under Section II of Part II of Schedule V to the Companies Act, 2013:

1. General Information:

- i) Nature of Industry: The Company is engaged in manufacture of Manufacturing Cold Rolled Continuous Annealed Steels.
- ii) Date of commencement of commercial production: The Company was incorporated on March 17, 2011 and has started commercial production during FY 2014-15.
- iii) In case of new companies, expected date of commencement of activities as per Project approved by financial institutions appearing in the prospectus: **Not Applicable.**
- iv) Financial performance based on given indicators - as per published audited financial results for the year ended 31st March, 2021:

Particulars	(Rupees in Lakh)
Turn over & Other Income	216,895.35
EBITDA	38,487.19
Profit before tax	20,616.19
Profit after tax	20,616.19
Net Worth	112,693.00

vi) Foreign investments or collaborators, if any:

The Company is a Joint Venture between M/s Tata Steel Limited and M/s Nippon Steel Corporation, Japan. M/s Tata Steel Limited was holding 51% equity, which has subsequently been transferred to Tata Steel Downstream Products Limited (TSDPL) on January 1, 2021, a wholly owned subsidiary of Tata Steel; and M/s Nippon Steel Corporation, Japan holds 49% equity, respectively.

2. Information about the appointee:

i) Background Details:

Mr. Ujjal Chakraborti, an Electrical Engineer by qualification, joined Tata Steel in 1990 as Graduate Trainee. He spent his initial years in CE & DD Project Management, CRM and Flat Products. He was the Master Black Belt for ASPIRE in Flat Products & Tubes area before taking up the role of Head Business Analysis for Flat Products. He was appointed as Chief CRC West in 2008. Since 2008, he has led the departments/ functions of Business Analysis (RM & CSI), Sinter Plant, Pellet Plant, Agglomerates as Chief. In 2017, he was appointed Executive-in-Charge, IBMD.

In 2018, he was deputed to M/s TSBSL as Chief Operating Officer and on his return from deputation later that year he was appointed Executive-in-Charge of Tubes Division, a Profit Centre of Tata Steel Limited, till his appointment as Managing Director. Mr. Chakraborti has rich experience in leadership roles across diverse functions including general management roles. Mr. Chakraborti is on deputation from Tata Steel Limited.

ii) Past Remuneration drawn:

During the financial year 2020-21	(Rupees in Lakh)
Mr. Ujjal Chakraborti	122.91*

*including retiral benefits.

iii) Recognition & Awards/Achievements:

Mr. Chakraborti currently sits on the Board of International Tube Association and has previously served the Board of several companies.

He has authored 25 papers in the area of cold rolling, iron ore agglomeration published in National & International Journals.

iv) Job Profile and suitability:

In 2018, Mr. Chakraborti was appointed as an Executive-in-Charge of Tubes Division, a Profit Centre of Tata Steel having turnover ~INR 3000 crore, and holding the position till he has been appointed as the Managing Director of the Company, subject to the approval of Shareholders. Mr. Chakraborti has rich experience in leadership roles across diverse functions including general management roles. Mr. Chakraborti is on deputation from Tata Steel Limited to the Company. His association with the Company will contribute greatly in growth of the Company in future.

The Board considered Mr. Ujjal Chakraborti suitable for the position of Managing Director of the Company due to vast experience and managerial skill possessed by him.

v) Remuneration proposed:

a. Remuneration Package

- (i) Basic Salary: Currently Rs. 3,28,000/- per month, subject to such increment as may be decided by the Nomination & Remuneration Committee and the Board.
- (ii) Deputation Cost: Deputation cost of Rs.1,77,39,305/- per annum to be reimbursed by the Company to Tata Steel Limited. The MD is eligible for annual increment and/or performance bonus and other benefits as may be decided by the Nomination and Remuneration Committee and the Board.
- (iii) Minimum Remuneration: In the event of absence or inadequacy of profits of the Company in any financial year during the period of Mr. Chakraborti's appointment, the Company shall pay to the MD remuneration by way of salary, benefits, perquisites and allowances, performance linked bonus/commission, as specified above, subject to provisions of the Companies Act, 2013.

- (iv) Mr. Chakraborti shall not, so long as he functions as the Managing Director of the Company be entitled to receive any fee for attending any meetings of the Board or any Committee thereof.
 - (v) Mr. Ujjal Chakraborti as Managing Director would be entitled to Long Term Incentive Plan (LTIP) as per the Tata Steel Group Company's norms, subject to the approval and discretion of the Board of Directors of the Company. This would be applicable in lieu of the Special Retirement Benefits for MD/ED as per the Tata Group norms.
- a. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates, the relevant details would be with respect to the country of his origin):
- Taking into consideration the size and nature of business of the Company, the profile of Mr. Ujjal Chakraborti, the responsibility to be shouldered by him and the industry bench mark, the remuneration proposed is commensurate with the remuneration packages paid to similar senior level executives in other companies.
- b. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:
- Beside the remuneration proposed, the Managing Director does not have any other pecuniary relationship with the Company and its Key Managerial Personnel.

III. Other Information:

(i) Reasons of loss or inadequate profits:

The Company was incorporated in March 2011, and its Commercial Production was started in FY 2014-15. Currently the Company is earning Profits.

(ii) Steps taken or proposed to be taken for improvement:

Safety is deep rooted in the organisation's way of working. So, is a strong focus on cost reduction and savings in all aspects of the business. Focus on component approvals and conversions of approvals into business has helped grow Automotive CR volumes. Standardisation, through an SOP base work culture, promotes consistency in all activities across the organisation. Employees are encouraged to participate in idea generation to improve their, and organisational performance leading to improvement of their capabilities & potential. Customer recognitions and growing credibility as a reliable & quality supplier of Automotive CR have helped market share growth in competition with larger steel suppliers.

The way forward is based on further growth of Automotive CR business and continuous Process & Quality improvements. Compliance to Annual Business Plans will be the key success factor; hence, alignment of the same to Long Term Business Plans will ensure that the Company remains financially stable and on track. Development of High Strength steels - 780MPa & 980MPa - will further augment the product basket and sustain customers' interests as newer models will be designed with more High Strength steels.

(iii) Expected increase in productivity and profits in measurable terms:

Productivity improvement is being continuously driven through projects taken to reduce line downtime by adopting appropriate Maintenance practices, based on corresponding practice applicable at NSC, Japan. This also enables improvement in speed of work. Quality is continuously reviewed and Kaizens ensure identification of root causes for rejections & downgrades, which are shared with agencies concerned. In case of Substrate, all process & rejection information is made available to supplier and countermeasures are jointly developed & implemented. Automotive CR yield improvement is one of the key productivity improvement levers on which the Company will continue to work proactively & collaboratively with its Promoters.

Since the regularization of Director is a matter to be considered at the Annual General Meeting of the Company, the Board considered it appropriate to recommend the same to the shareholders at this AGM for their approval. Further in accordance with the provisions of Sections 196, 197, 202, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and as amended from time to time, the terms of appointment of Mr. Ujjal Chakraborti, as Managing Director are placed before the Members in the Annual General Meeting for their approval. In the event the Company has no profits or inadequate profits in any financial year, approval of the shareholders is sought by way of special resolution for payment of remuneration to Mr. Chakraborti, as Managing Director, as laid down in Section II of Part II of Schedule V to the Companies Act, 2013. This shall be valid during the tenure of his appointment.

Mr. Ujjal Chakraborti once appointed shall not be liable to retire by rotation and shall be subject to the Company's Policy on appointment and removal of Directors. The draft agreement to be entered into with Mr. Ujjal Chakraborti, is available for inspection by the Members of the Company at its registered office between 11.00 a.m. to 1.00 p.m. on any working day.

The proposed resolution(s) are in the interest of the Company, and your Board recommends the resolutions set forth in Item Nos. 5 & 6 for the approval of Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Mr. Ujjal Chakraborti and his relatives, are concerned or interested in the resolution(s) mentioned at Item Nos. 5 & 6 of the Notice.

Item Nos: 7 & 8

Mr. Junichi Matsunaga (DIN: 09119707) was appointed as an Additional Director of the Company effective April 15, 2021, and subsequently he was appointed as the Executive Director of the Company with effect from April 15, 2021 till March 31, 2023, subject to the approval of shareholders by Special Resolution and the Central Government. The Company has received from Mr. Matsunaga (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act.

The profile and specific areas of expertise of Mr. Junichi Matsunaga are as follows:

Name	Junichi Matsunaga
Date of Birth	July 4, 1967
Date of Appointment	April 15, 2021
Qualification	Master's degree, Specilizing in Mechanical Engineering at the Graduate School of Engineering , Kyusyu University
Expertise in specific functional area	Expert and Manager in the Technology of Sheet Metal production and in Health and Safety Management
Directorship held on other companies as on the date of appointment	NIL
Shareholding in the Company as on the date of appointment	NIL
Relationship between Directors inter-se	NIL
Category	Promoter, Non-Independent, Executive Director

The key terms and condition for appointment of Mr. Matsunaga are as hereunder:

- a. Contract Period: Effective from April 15, 2021 till March 31, 2023 unless otherwise terminated earlier in accordance with the Personnel Dispatch Agreement.
- b. Duties:
 - (i) The Executive Director shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Managing Director of the Company and in the best interests of the business of the Company including performing duties as assigned to the Executive Director from time to time.
 - (ii) Mr. Matsunaga undertakes to employ the best of his skill and ability and to make his utmost endeavours to promote the interests and welfare of the Company and to conform to and comply with the policies and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.
- c. Remuneration Package
 - (i) Deputation Cost: Rs. 3,75,000/- per month (Rupees Three Lakh Seventy Five Thousand only) equivalent to Rs. 45,00,000/- per annum (Rupees Forty Five Lakh only)
 - (ii) Minimum Remuneration: In the event of absence or inadequacy of profits of the Company in any financial year

during the period of Mr. Matsunaga's appointment, the Company shall pay to the Executive Director remuneration by way of salary, benefits, perquisites and allowances, performance linked bonus/commission, as specified above, subject to provisions of the Companies Act, 2013.

(iii) Mr. Matsunaga shall not, so long as he functions as the Executive Director of the Company be entitled to receive any fee for attending any meetings of the Board or any Committee thereof.

Information relevant to the appointment of Mr. Junichi Matsunaga (DIN: 09119707) as the Executive Director, as required under Section II of Part II of Schedule V to the Companies Act, 2013:

I. General Information:

- i) Nature of Industry: The Company is engaged in manufacture of Manufacturing Cold Rolled Continuous Annealed Steels.
- ii) Date of commencement of commercial production: The Company was incorporated on March 17, 2011 and started commercial production during FY 2014-15.
- iii) In case of new companies, expected date of commencement of activities as per Project approved by financial institutions appearing in the prospectus: **Not Applicable.**
- iv) Financial performance based on given indicators - as per published audited financial results for the year ended 31st March, 2021:

Particulars	(Rupees in Lakh)
Turnover & Other Income	216,895.35
EBITDA	38,487.19
Profit before tax	20,616.19
Profit after tax	20,616.19
Net Worth	112,693.00

- v) Foreign investments or collaborators, if any:

The Company is a Joint Venture between M/s Tata Steel Limited and M/s Nippon Steel Corporation, Japan. M/s Tata Steel Limited was holding 51% equity, which has subsequently been transferred to Tata Steel Downstream Products Limited (TSDPL) on January 1, 2021, a wholly owned subsidiary of Tata Steel; and M/s Nippon Steel Corporation, Japan holds 49% equity, respectively.

II. Information about the appointee:

i) Background Details:

Mr. Matsunaga is having Master's degree, Specilization in Mechanical Engineering at the Graduate School of Engineering, Kyusyu University, with specialization in the Technology of Sheet Metal production and in Health and Safety Management. He joined Nippon Steel Corporation in 1992 and since then has been working in various capacity at Nippon Steel Corporation in the area of Safety, Health & Plant Safety and Technology Departments. Currently, Mr. Matsunaga is on deputation from Nippon Steel Corporation to the Company.

ii) Past Remuneration drawn:

During the financial year 2020-21	(Rupees in Lakh)
Mr. Junichi Matsunaga	45*

*on deputation from Nippon Steel Corporation.

iii) Recognition & Awards/Achievements:

Mr. Matsunaga is a highly competent Safety and Quality professional and employed at a senior position in Nippon Steel Corporation.

iv) Job Profile and suitability:

Mr. Matsunaga has been nominated by Nippon Steel Corporation as a Nominee Director, and was appointed as an Executive Director of the Company with effect from April 15, 2021. Mr. Matsunaga has also served the Company as a Vice President & General Manager (Technical-QA). Mr. Matsunaga has been recognized as an experienced Engineer, and is expected to contribute greatly in growth of the Company in future. Mr. Matsunaga is on deputation from Nippon Steel Corporation to the Company. His association with the Company will contribute greatly in growth of the Company in future.

The Board considered Mr. Matsunaga suitable for the position of Executive Director of the Company due to vast experience and managerial skill possessed by him.

v) Remuneration proposed:

(i) Deputation Cost: Rs. 3,75,000/- per month (Rupees Three Lakh Seventy Five Thousand only) equivalent to Rs. 45,00,000/- per annum (Rupees Forty Five Lakh only)

(ii) Minimum Remuneration: In the event of absence or inadequacy of profits of the Company in any financial year during the period of Mr. Matsunaga's appointment, the Company shall pay to the Executive Director remuneration by way of salary, benefits, perquisites and allowances, performance linked bonus/commission, as specified above, subject to provisions of the Companies Act, 2013.

(iii) Mr. Matsunaga shall not, so long as he functions as the Executive Director of the Company be entitled to receive any fee for attending any meetings of the Board or any Committee thereof.

vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates, the relevant details would be with respect to the country of his origin):

Taking into consideration the size and nature of business of the Company, the profile of Mr. Junichi Matsunaga, the responsibility to be shouldered by him and the industry bench mark, the remuneration proposed is commensurate with the remuneration packages paid to similar senior level executives.

vii) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Beside the remuneration proposed, the Executive Director does not have any other pecuniary relationship with the Company and its Key Managerial Personnel.

III. Other Information:**(i) Reasons of loss or inadequate profits:**

The Company was incorporated in March 2011, and its Commercial Production was started in FY 2014-15. Currently the Company is earning Profits.

(ii) Steps taken or proposed to be taken for improvement:

Safety is deep rooted in the organisation's way of working. So, is a strong focus on cost reduction and savings in all aspects of the business. Focus on component approvals and conversions of approvals into business has helped grow Automotive CR volumes. Standardisation, through an SOP base work culture, promotes consistency in all activities across the organisation. Employees are encouraged to participate in idea generation to improve their, and organisational performance leading to improvement of their capabilities & potential. Customer recognitions and growing credibility as a reliable & quality supplier of Automotive CR have helped market share growth in competition with larger steel suppliers.

The way forward is based on further growth of Automotive CR business and continuous Process & Quality improvements. Compliance to Annual Business Plans will be the key success factor; hence, alignment of the same to Long Term Business Plans will ensure that the Company remains financially stable.

(iii) Expected increase in productivity and profits in measurable terms:

Productivity improvement is being continuously driven through projects taken to reduce line downtime by adopting appropriate Maintenance practices, based on corresponding practice applicable at NSC, Japan. This also enables improvement in speed of work. Quality is continuously reviewed and Kaizens ensure identification of root causes for rejections & downgrades, which are shared with agencies concerned. In case of Substrate, all process &

rejection information is made available to supplier and countermeasures are jointly developed & implemented. Automotive CR yield improvement is one of the key productivity improvement levers on which the Company will continue to work proactively & collaboratively with its Promoters.

Since the regularization of Director is a matter to be considered at the Annual General Meeting of the Company, the Board considered it appropriate to recommend the same to the shareholders at this AGM for their approval. Further, in accordance with the provisions of Sections 196, 197, 201, 202, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and as amended from time to time, the terms of appointment of Mr. Junichi Matsunaga, as Executive Director is placed before the Members in the Annual General Meeting for their approval by way of special resolution, and approval of the Central Government. In the event the Company has no profits or inadequate profits in any financial year, approval of the shareholders is sought by way of Special Resolution for payment of remuneration to Mr. Matsunaga, as Executive Director, as laid down in Section II of Part II of Schedule V to the Companies Act, 2013. This shall be valid during the tenure of his appointment.

Mr. Junichi Matsunaga once appointed shall not be liable to retire by rotation and shall be subject to the Company's Policy on appointment and removal of Directors. The draft agreement to be entered into with Mr. Junichi Matsunaga, is available for inspection by the Members of the Company at its registered office between 11.00 a.m. to 1.00 p.m. on any working day.

The proposed resolution(s) are in the interest of the Company, and your Board recommends the resolutions set forth in Item Nos. 7 & 8 for the approval of Members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Junichi Matsunaga and his relatives, are concerned or interested in the resolution(s) mentioned at Item Nos. 7 & 8 of the Notice.

Item No. 9

The Company is required under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time to have its cost records audited by Cost Accountants in Practice. Accordingly, the Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment of M/s Shome & Banerjee, Cost Accountants (Firm Registration No. 000001) as Cost Auditors of the Company for conducting the audit of the cost records of the Company for the financial year 2021-22 at a remuneration of Rs. 1.80 lakh (Rupees One Lakh Eighty Thousand only) plus payment of applicable Taxes and reimbursement of out-of-pocket expenses incurred by the Cost Auditors in connection with the aforesaid Cost Audit.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of a Company are required to ratify the remuneration to be paid to the Cost Auditors of the Company.

Since the remuneration payable to the Cost Auditors is required to be approved by the Shareholders, hence it is considered unavoidable by the Board to recommend the same to the shareholders at this AGM for their approval. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for FY'22.

The proposed resolution(s) is in the interest of the Company, and your Board recommends the resolution(s) set forth in Item No. 9 for the approval of the Members.

None of the Directors and Key Managerial Personnel or their respective relatives are concerned or interested in the resolution(s) mentioned at Item No. 9 of the Notice.

By Order of the Board of Directors

(Prashant Kumar)
Company Secretary
(Membership No: A19510)

Dated: July 13, 2021

CIN: U27310WB2011PTC160845

Registered Office:

Tata Centre, 5th Floor,
43, Jawaharlal Nehru Road,
Kolkata – 700 071

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the 10th Annual Report of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2021.

A. FINANCIAL RESULTS

The financial performance of your Company for the Financial Year ended March 31, 2021 is summarised below:

(Rupees in Lakh)

Statement of Profit & Loss

Particulars	2020-21	2019-20
Total Income	216,895.35	1,88,808.42
Operating cost other than Depreciation & Finance costs	178,408.16	1,70,186.18
Earnings before Interest, Tax & Depreciation/Amortisation (EBITDA)	38,487.19	18,622.24
Depreciation/Amortisation	8,498.91	8,482.37
Finance Charge	9,372.09	10,823.24
Profit/ (Loss) Before Tax	20,616.19	(683.37)
Taxes	-	-
Profit/ (Loss) After Tax	20,616.19	(683.37)
Other Comprehensive Income	37.10	(94.44)
Total Comprehensive Income	20,653.29	(777.81)
Transfer to Reserve	-	-
Dividend	-	-
Balance brought forward from Previous Year	(51,160.29)	(50,382.48)
Balance carried to Balance Sheet	(30,507.00)	(51,160.29)

Balance Sheet

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Equity and Liabilities		
Shareholders' Fund:		
(a) Share Capital	143,200.00	1,35,200.00
(b) Reserves & Surplus	(30,507.00)	(51,160.29)
Sub Total	112,693.00	84,039.71
Non - Current Liabilities	82,699.59	99,274.32
Current Liabilities	64,167.39	61,106.23
Total Equity and Liabilities	259,559.98	2,44,420.26
Assets		
Non - Current Assets	181,914.82	1,92,398.70
Current Assets	77,645.16	52,021.56
Total Assets	259,559.98	2,44,420.26

Dividend:

The Board of Directors have not recommended dividend for the financial year ended March 31, 2021.

Transfer to Reserves:

In the financial year 2020-21, the Company has not transferred any amount to the Reserve.

B. EXTERNAL ENVIRONMENT:

ECONOMIC OUTLOOK:

Global economy is gradually recovering from the slowdown due to Covid 19 Virus, but it remains uneven across the countries and is supported by ongoing vaccination drives, sustained monetary policies and fiscal stimulus. As a result of the pandemic, the economy is projected to contract sharply by –3 percent in 2020, much worse than during the 2008–09 financial crisis. It is estimated that pandemic fades in the second half of 2020 and the global economy is projected to grow by 5.8 percent in 2021. Many countries have slowed reopening post lockdown while recovery in China has been faster. Global growth projections for 2021 (6% ~) and 2022 (4.4%) are stronger than the earlier Estimates.

At domestic front, India's economy recorded a positive GDP growth in Q3 FY 2021, created a positive sentiment driven by easing of lockdowns, re-opening of businesses and improvement in the availability of finance from banks and internal sources. In the April-June quarter, the economy contracted by the steepest ever 24.4 per cent, and 7.3 per cent in the September quarter. However, in October-December it came back in positive territory with 0.4 per cent growth.

Now, economic activity seemed to be gathering momentum at a sustainable pace with people demonstrating greater confidence in stepping out and spending. The vaccination drive has made good progress too.

Of course, the recent spike in infection and the imminent threat of variants cast a cloud of doubts. Mobility restrictions that hurt the economy the most, are being imposed back (although in a calibrated manner) by a few States. While it is easy to lose hope in tough times, similar experiences around the world provide some comfort. We expect the economic and health impact of the subsequent waves in India to be contained to a quarter or two.

India expects growth to touch 11.7% in FY 2022 subject to impact of new Covid waves. The pace of recovery may be uneven in the quarters due to this uncertainty.

The MSMEs, which are the backbone of the manufacturing sector contributing 34% of the total manufacturing output, have been hit hard by the pandemic.

The focus of the Union Budget 2021-22 on investment-led measures with increased allocations for capital expenditure; the expanded production-linked incentives (PLI) scheme; and rising capacity utilization (from 63.3 per cent in Q2:2020-21 to 66.6 per cent in Q3:2020-21) will reinforce the process of economic revival. In fact, firms engaged in manufacturing, services and infrastructure sector polled by the Reserve Bank in March 2021 are optimistic about a pick-up in demand and expansion of business activity into financial year 2021-22. Projection of real GDP growth for 2021-22 is retained at 10.5 per cent.

On March 31, 2021, the Government retained the inflation target at 4 per cent with the lower and upper tolerance levels of 2 per cent and 6 per cent, respectively, for the next five years (April 2021-March 2026).

INDUSTRY OUTLOOK:

During FY21, the Indian Automotive industry Passenger vehicles (PVs) segment registered a decline of 10.6% in production over the previous financial year. Domestic sales of PVs declined marginally by 2.2% (FY 20: growth of 2.7%). The export of PVs witnessed a decline of 38.9% over the previous year.

Although Maruti Suzuki continues to be the market leader with 48% market share, their share declined marginally by 3% from the previous year. Market shares of Kia Motors and Tata Motors have increased by 3% each. On the other hand, Honda Cars, Mahindra & Mahindra, and Toyota have lost market shares by 1% each in FY21.

In Q1/FY21, due to COVID 19 pandemic, lockdown was declared by government of India from last week of Mar'20. For the first time in the history of automotive sector PVs Production and PVs sales number was zero in the month of April'20.

In Q2/FY21, targeting upcoming festive season, OEMs accelerated PVs production and built stocks at Dealers' end resulting in PVs wholesale market growth by +14% for the month of August'20.

In Q3/FY 21, the 42-days festive period saw good traction as a result of the new goal of safer means of travel for the entire family. PVs sales grew in double digits at 13.6% over the last year's festive period.

In Q4/FY21, due to shortage of semiconductors, and rapid increase of commodity price, waiting period on some models were as high as eight months and a survey shows that 50% dealers lost more than 20% sales due to non-availability of vehicles. The average PVs inventory at dealer end during these months was observed to be at the very low level of 10-15 days.

Passenger cars production in FY21 decreased by 17.8% and Vans production in FY21 decreased by 18.5% compared to last year. UVs production in FY21 saw an increase of 4 % compared to last year. UVs demand has grown in India whereas the demand for Passenger cars declined.

C. OPERATIONS AND PERFORMANCE:

Operations:

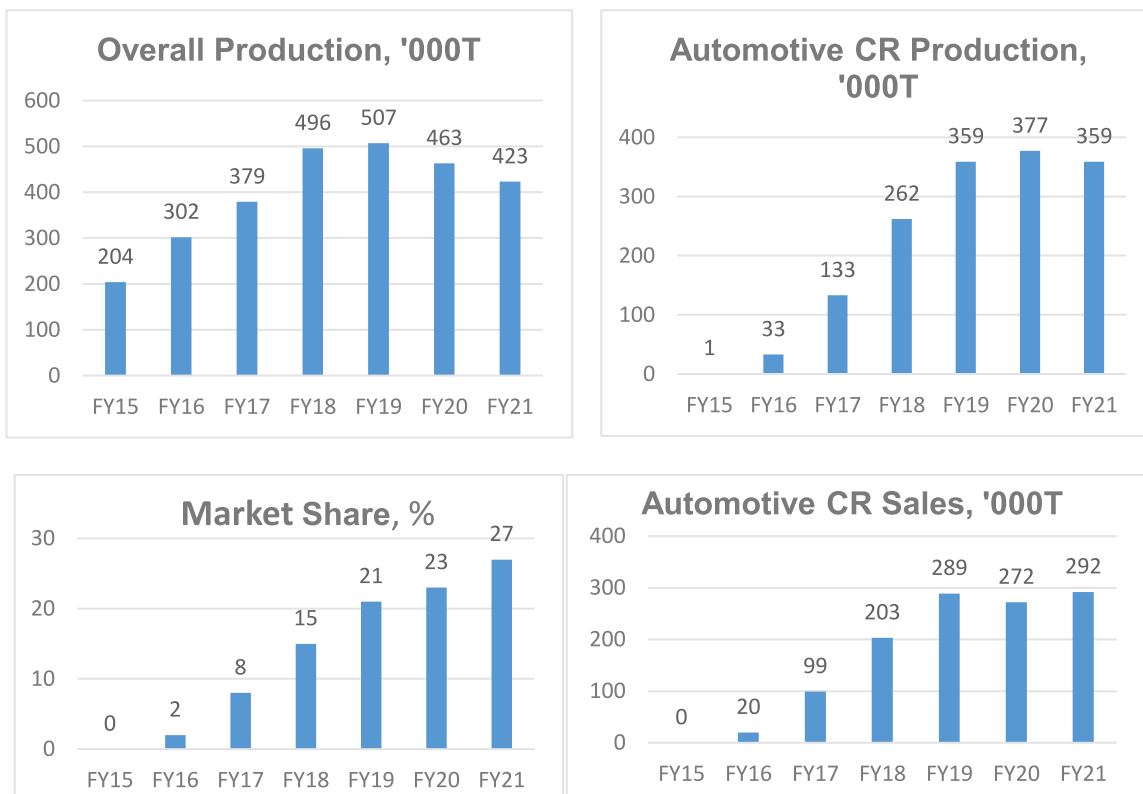
The Plant capacity utilisation stood at 70.5%, out of which ~3,59,000 T was Automotive CR with a Prime yield of 79.8%. Tolling production was ~29,600 T with Prime yield of 94.6%. The overall production for the year was ~4,23,000 T, around 8.7% lower than FY20, because the Plant was closed due to nationwide lockdown during Q1/FY21 due to Covid-19. Production for Exports was to the tune of ~34,500T during FY21.

Several cross functional projects were also taken up for quality improvement during the year and yielded good results. Customers appreciated the consistent quality of the Company’s products.

During FY21, JCAPCPL has been able to obtain 171 component approvals, taking cumulative approvals since inception to 1,230 components, the potential estimated volume of which is ~3100 T and 27,200 T, respectively. The company got approvals from TKM, HCIL, Ford, TML and KIA for 780 supply. The company also got HSS approval for localisation from HMIL, for which Phase 1 and Phase 2 trials have been completed. Approval for VW was completed in FY21.

The Company continuously supplied material to almost all the major Automotive OEMs in India, including their ancillaries. During the year, the Company’s cumulative Automotive CR sales crossed 1,000,000T in November’20 since inception.

The Company continued to ramp-up its market share. The production, sales and market share growth since the Company has started the commercial production is depicted below:



Performance:

In FY 21, the Company posted a revenue of Rs. 2,16,895.35 Lakh, and an EBITDA of Rs. 38,487.19 Lakh (Operational EBITDA was Rs 38,068.02 Lakh, excluding impact of Mark to Market loss on its Derivatives) as against a revenue of Rs. 1,88,808.42 Lakh and EBITDA of Rs. 18,622.24 Lakh (Operational EBITDA was Rs 19,980.14 Lakh, excluding impact of Mark to Market gain on its Derivatives in FY20).

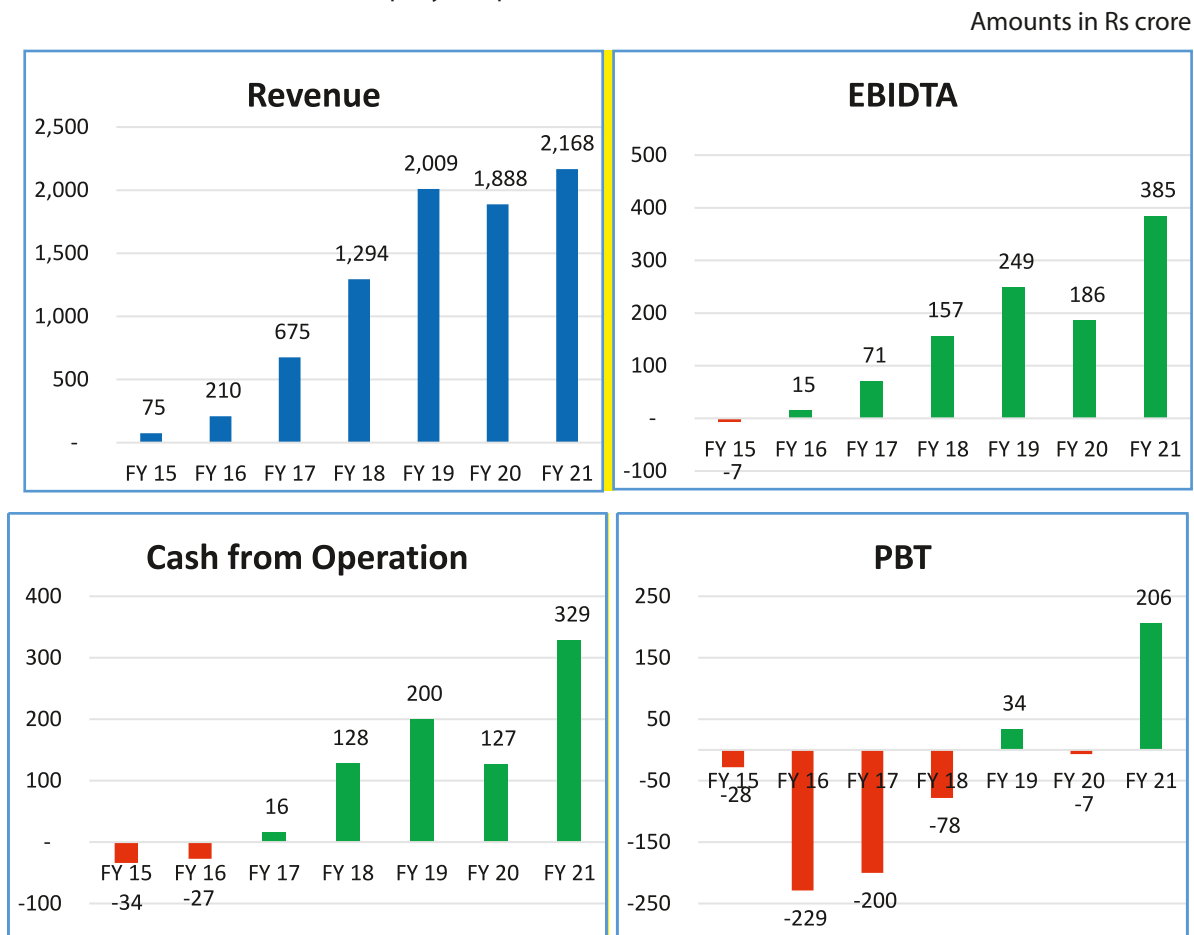
After taking into account the Finance cost of Rs. 9,372.09 Lakh and Depreciation charge of Rs. 8,498.91 Lakh, the Company posted a net profit (Profit after Tax) of Rs 20,616.19 Lakh in FY 21, as against a loss (Loss after Tax) of Rs. 683.37 Lakh in FY20. The Company prepared its Financial Statements for the year ended on March 31, 2021 in accordance with Ind AS requirements.

The Credit Rating by CARE for Term Loan has been maintained at A+ with the change in outlook from Positive to Stable. The Company has been able to maintain Credit Rating for its Short-term bank facilities and Commercial Papers at A1+.

Working Capital management and Cash management were further optimised, and the Company continues to successfully meet its Working Capital requirements partially through the Short Term Working Capital Loan, at rates substantially lower than the Marginal Cost of Lending Rate of Banks, resulting in reduction of the overall interest burden.

The Company has refinanced the Rupee Term Loan from Punjab National Bank, of Rs. 8,600 Lakh with HDFC Bank and South Indian Bank and Tata Capital Finance amounting to Rs. 11,718 Lakh from ICICI Bank. All scheduled financial commitments to Banks were met on time.

The Financial Performance of the Company is depicted below:



Capital and Debt Structure:

a) Details of Authorized Share Capital:

The authorized share capital of the Company is Rs.14,32,00,00,000/- consisting of 1,43,20,00,000 Equity shares of Rs.10 each.

b) Details of Issued/ Subscribed/ Paid Up Capital:

During the financial year, Equity shares at par were issued by your Company in two tranches. 3,00,00,000 Equity shares of Rs. 10 each were issued in May 2020 and 5,00,00,000 Equity shares in June 2020. The aforesaid shares were issued to the Promoters in the ratio of their existing holding i.e. 51% TSL and 49% NSC. All these Equity shares are free from all encumbrance and rank pari-passu with the existing Equity shares of the Company in all respects including payment of Dividend.

During the year under review, on January 1, 2021 TSL transferred its entire shareholding to Tata Steel Downstream Products Limited (TSDPL), a 100% subsidiary of TSL.

As on March 31, 2021, the total Paid-up Capital of your Company stands at Rs. 14,32,00,00,000/-. The details of the Capital are given in the MGT-9 (Extract of Annual Return).

D. SAFETY, HEALTH AND ENVIRONMENT:

The Company has a 3-tier SHE governance structure. Five Safety Sub-committees & four Area Implementation Committees (AICs) are in place to drive Tata Safety and Health Management System (TSHMS) principles & requirements. Sub-committees present their progress report at the Apex SHE Council meeting.

Your Company believes in “Safety First, Quality Must” work culture. In order to reiterate its Safety moto “Safety a Way of Life”, the employees across the Company actively participated in logging unsafe acts, unsafe conditions, near miss observations etc. in the “Ensafe” portal.

During the year, your Company had developed In-house Awareness Video on COVID-19 precaution followed by Do’s & Don’ts. Your Company has also undertaken several promotional activity such as Road safety week, Environment day, Safety week celebration etc., which aimed at renewing your Company’s commitment to work safely and ensure good integration of Work culture.

Your Company has also undergone fire and safety audit to assess the gaps and deviations to strengthen its process. Your Company has also reviewed and updated the existing Critical Standard Operating Process (SOPs). During the year under review, your Company has achieved injury free Major Shut Down (MSD) and conducted Pre-start-up check (PSSR) to ensure equipment health and to address to abnormality, if any, with respect to the Operations.

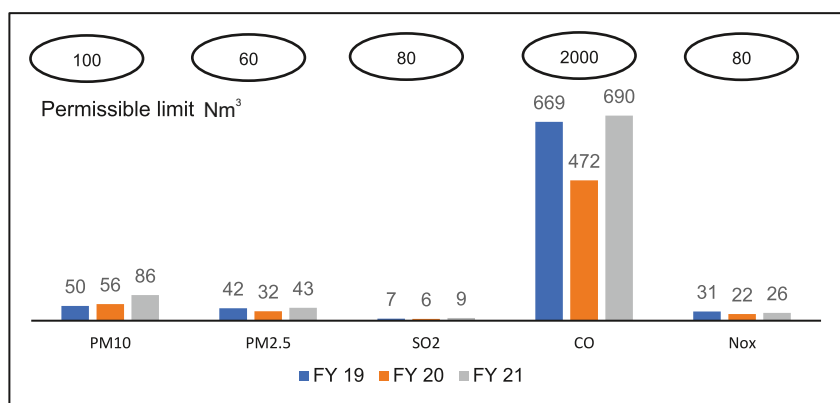
DU PONT has conducted 4 day Workshop on safety to front line management to know the structured process of identifying root cause of any accident and prevent future accidents Your Company has also been re-certified for ISO 14001 & ISO 45001 through Surveillance Audit.

The Contract Workforce is an important segment and the company has implemented programs such as Suraksha Scheme, Safety & Welfare Walks, Rewards & Recognition among other initiatives to ensure their inclusion at the workplace through best practices that go beyond statutory compliance. While your Company is committed to provide “Safe place to Work”, it is also the prime responsibility of every supplier partner to act in a safe manner and to comply with the Contractor Safety Standards through Contractor Safety Management (CSM).

However, it is unfortunate that in FY21 the Company had one LTI (Lost Time Injury).

During the year, Health Index of Company’s employees has increased through various initiatives such as Health, wellness and awareness sessions, Work life balance, session on Office Yoga were, proactive measures initiated by the Company to help the employees of the Company to maintain their health even during the Covid-19 pandemic.

Air, water, dust, and noise parameters continue to be well within norms.



E. HUMAN RESOURCES MANAGEMENT:

The Company’s Human Resources Management system and processes aim to enhance organisational capability, as it is critical to its transformation and growth journey.

The Company took several measures to protect the Employees amid the outbreak of the COVID 19 and its resurgence, including a) Implementation of proactive contact tracing mechanism in the form of Daily Diary through dedicated portal, b) A thorough awareness training with Do’s and Don’ts enabling workforce to understand the gravity of the situation and ensuring extensive sanitisation activity across the plant by engagement of Specialised vendor’s. c) Special leave with pay during the lock down period for Employees and Contractor Workforce d) Initiated POD and Work from Home systems e) Enabling continuation of Emergency & Essential Services through necessary permission from District Administration f) Tie-up with TMH for seamless support for Covid ,

JCAPCPL continued to work towards a fully engaged workforce, have undertaken E-learning modules extensively, skill based vocational training for contract workforce with support from J N Tata Vocational Training Institute was also rolled out. As a part of Social security measure the Company implemented Family Ashraya Scheme and Family Sahyog Scheme. Multiple employee engagement initiatives was rolled out viz. 8th Anniversary celebration with employees and their family, launching e-magazine, women employee participation in the Tata Group Diversity Initiative “We @ Tata initiative” etc. and launched first of its kind a virtual celebration of 1 Million Tons Sales celebrated Transforming Employee recognition through customised rewards, launch of 8th anniversary magazine- Evergreen.

The Company focused on capability building through Internal Auditor training for IATF 16949:2016 , ISO 45001 :2018 and ISO 14001:2015, also Specialised training on Incident Investigation was conducted by M/s Dupont and Leadership craft podcast series curated by TMTTC (Tata Tomorrow University) taken for Managers are some of the highlights.

Industrial Relations in the Company remained harmonious wherein the Union and the Management partnered during all times amid business challenges.

Particulars of Employees:

The statement of particulars of employees as required under section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below:

Name	Age	Designation	Gross Remuneration (Rs. in Lakh)	Qualification	Total Experience	Date of employment	Last employment held
C.V. Sastry	57 years	Managing Director	172.06*	BE (Metallurgy), PGDBM (XLRI)	36 years	16.08.12	Chief (CAPL-JV), Tata Steel Limited

*includes payment of Long Term Incentive Plan (LTIP) for FY17&FY18.

- i. Gross remuneration comprised Salary, Allowances, Monetary value of Perquisites, House Rent Allowance, Leave Travel Allowance, Medical allowance, Performance linked incentive and Company’s contribution to the Provident and Superannuation funds.
- ii. The Agreement with the Managing Director is contractual in nature.
- iii. Mr. Sastry is not related to any Director or Key Managerial Personnel of the Company.

F. INFORMATION TECHNOLOGY AND DIGITISATION:

The Company’s business processes are Information Technology enabled and the Company remains focused and committed to harnessing the power of IT to reap maximum benefits.

As part of Tata Steel group initiative to improve data security, performance, reliability & to take care of technological obsolescence, the Company made provision for cloud infrastructure for migration of notes based applications and also for hosting the connected workforce applications.

To enable and make Work from Home (WFH) initiative effective, citrix was installed on all assets and access was provided to SAP systems through citrix.

As a part of the Tata Steel Group initiative, the Company implemented the safety compliance system ‘Ensafe’. This is used

for recording all safety observations identified during the safety visits.

The Company had engaged Tata Consultancy Services for preparing IT Roadmap as well as for bringing improvements in existing processes and controls. Major projects implemented were:

- a) E Invoicing
- b) Tax collection at source (TCS)
- c) Enhancements across different modules to meet business requirements
- d) Hyundai Steel was configured as a new Steel Processing Center.

The SAP Support contract was handed over to Tata Consulting Services for all modules of SAP. The Notes based applications for P10, UMC, GDCS and CCHP is being developed under Dot Net environment and will be hosted on the cloud.

New Agreement was signed with Tata Consulting Services for providing help desk support and SOP based problem resolution (L0/L1 Support).

Your Company has also initiated the Connected Workforce Project. All the employees including the Contract workers shall be covered under the Suraksha Cards, which would help your Company to monitor Safety & Health of the Workforce on real time basis.

G. CORPORATE SOCIAL RESPONSIBILITY:

As a part of Volunteering, the Company's employees CSR Club, Ummeed, which promotes and encourages employee participation in various CSR projects, carried out a few activities during FY21 at Jamshedpur. During the year under review, due to the restrictions imposed due to Covid-19 pandemic your Company were not able to undertake any major CSR initiatives. However, despite this your Company has recorded 61 Volunteering hours of community activities and services under the Tata Volunteering Weeks.

To guide its CSR activities the Board of Directors has constituted a "Corporate Social Responsibility Committee" as required under Section 135 of the Companies Act, 2013, for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR Projects.

H. KEY ACHIEVEMENTS AND CHALLENGES:

Achievements:

Following are the major achievements for FY'21

1. Best ever Net Profits of Rs.20616.19 Lakh
2. The Company crossed cumulative Automotive CR sales of 1,000,000 T
3. 8 Grade Approvals: DP780 (5Nos), CR380LA, JSC270DU (TSK) & CR 210
4. Successful HSS Import substitution for HMIL/KIA: 20 SKU with 100% first time right and potential of 700T/month
5. Best ever Overall dispatches from Plant- 57,574T in March'21 (Previous best Previous figure - 55779 MT in Oct-20).
6. Development of new defect catalogue capturing customer wise surface requirement
7. Best ever annual Automotive CR production of ~3,93,436 T, surpassing previous best of ~3,84,674 T in FY20
8. Achieved lowest ever N2 Consumption of 54 Nm³/T, surpassing previous lowest of 64 Nm³/T in FY20.
9. Achieved lowest ever rejection due to process defect of 0.58%, surpassing previous lowest of 1.43% in FY20

Challenges:

The Company is faced with the following challenges in FY22.

1. Achieving sales target for FY22 amidst of Covid-19 impact
2. Meeting EPCG obligation and achieving Export volumes in view of market volatility
3. Initiate and stabilize Commercial Sales in 780 Mpa grade; and managing increase demand in High strength Steel.
4. Obtaining grade approvals using TSK substrate for enhancing GWT
5. Managing Customer's line with low inventory
6. Improvement of lighting arrangement for betterment of inspection at higher speed
7. Process yield improvement by reduce off gauge cutting and handling damages
8. Continuing with rated production capacity with restricted manpower.
9. Retaining mid & senior level employees at existing Cost to Company and with limited scope for career growth

I. CORPORATE GOVERNANCE:

The Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions. The objective of Corporate governance is the creation and enhancement of long-term sustainable value for our stakeholders through ethically driven business process.

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of Corporate Governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. At JCAPCPL, it is imperative that our Company's affairs are managed in a fair and transparent manner.

It has been our constant endeavour to ensure that we evolve and to follow the best governance practices to create and enhance the long-term sustainable value for all stakeholders.

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. This has resulted in provision of quality product and services to customers and, consequently, healthy growth of business, strengthening of Management and decision making process, effective functioning of Board of Directors in a professionally sound and competent manner and enhancement of long term value creation to the stakeholders.

The Committees constituted by the Board of Directors viz. (i) Audit Committee, (ii) Nomination and Remuneration Committee, and (iii) Corporate Social Responsibility Committee, have functioned effectively during the year under review.

The Company follows a process for selection and governance of Board members and reviews the independence and effectiveness of Internal and External Auditors.

Board of Directors

(a) Composition:

The Board is at the core of the Company's Corporate Governance practice and oversees and ensures that the Management serves and protects the long-term interest of all the stakeholders. The Board meets at regular intervals. Policy formulation, review and guidance of corporate strategy, business plans, monitoring effectiveness of the company's governance practices, performance evaluation, overseeing of succession planning and financial control functions etc are vested with the Board. During the Financial Year ended March 31, 2021, ten Board Meetings were held. Apart from meetings, the Board also transacted business through Circular Resolutions.

As on March 31, 2021, your Board comprises six (6) Directors, five (5) of whom are Non-Independent, Non-Executive Directors, and one (1) Executive Director. In terms of Notification G.S.R. 839 (E) dated July 5, 2017 issued by the Ministry of Corporate Affairs, the Company is not required to appoint Independent Director.

The details of Board of Directors as on March 31, 2021 are tabled below.

SN	Name of the Director	DIN	Designation/Status	Category
1.	Mr. Hiroshi Ebina	08224876	Chairman	Non-Independent, Non-Executive Director
2.	Mr. Rajeev Singhal	02719570	Director	Non-Independent, Non-Executive Director
3.	Mr. Dibyendu Dutta	01111150	Director	Non-Independent, Non-Executive Director
4.	Mr. Soichi Yonezawa	07130030	Director	Non-Independent, Non-Executive Director
5.	Ms. Jaya Singh Panda #	08734069	Director	Non-Independent, Non-Executive Director
6.	Mr. C. V. Sastry	03434562	Managing Director	Executive Director

Appointed as an Additional Director with effect from April 15, 2020 and her appointment was regularised at the 9th AGM held on September 16, 2020.

Appointed as an Additional Director with effect from April 15, 2020 and her appointment was regularised at the 9th AGM held on September 16, 2020.

(b) Directors:

Mr. C.V. Sastry, Managing Director whose tenure as Managing Director was upto August 16, 2021, passed away on June 6, 2021. On behalf of your Company, the Board of Directors expressed their heartfelt condolence and placed on record the invaluable contribution made by Mr. Sastry since the inception of the Company. The values and guiding principles of Mr. Sastry shall be the torch bearer for the Company.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Hiroshi Ebina (DIN-08224876) and Mr. Soichi Yonezawa (DIN- 07130030), Non-Executive Directors retire by rotation at the ensuing Annual General Meeting and being eligible, seek re-appointment. Your Board of Directors recommends their re-appointment at the forthcoming Annual General Meeting.

Mr. Ujjal Chakraborti (DIN-07854466), was appointed by the Board of Directors as an Additional Director of the Company with effect from June 14, 2021 and shall hold office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ('Act') read with Article 32 of the Articles of Association of the Company. He was also appointed as Managing Director of the Company to hold office with effect from June 14, 2021 till June 13, 2024 subject to the approval of Shareholders by Special Resolution at the forthcoming Annual General Meeting. Being eligible for appointment, Mr. Chakraborti has consented to act as a Director of the Company. On the recommendation of Nomination and Remuneration Committee, the Board of Directors agreed to appoint Mr. Chakraborti as a Director of the Company. Once appointed Mr. Chakraborti shall not be subject to retire by rotation. Your Board of Directors recommends his appointment as Director.

Mr. Junichi Matsunaga (DIN-09119707), was appointed by the Board of Directors as an Additional Director of the Company with effect from April 15, 2021 and shall hold office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ('Act') read with Article 32 of the Articles of Association of the Company. He was also appointed as an Executive Director of the Company to hold office with effect from April 15, 2021 till March 31, 2023 subject to the approval of the Shareholders by Special Resolution at the forthcoming Annual General Meeting and the Central Government. Being eligible for appointment, Mr. Matsunaga has consented to act as a Director of the Company. On the recommendation of Nomination and Remuneration Committee, the Board of Directors agreed to appoint Mr. Matsunaga as a Director of the Company. Once appointed Mr. Matsunaga shall not be subject to retire by rotation. Your Board of Directors recommends his appointment as Director.

(c) Independent and Non-Executive Directors:

In terms of Notification G.S.R. 839 (E) dated July 5, 2017 issued by the Ministry of Corporate Affairs, the Company is not required to appoint Independent Director.

(d) Shareholder Notice:

None of the Directors of your Company are disqualified under section 164(2) of the Companies Act, 2013.

(e) Board Evaluation:

Pursuant to provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance and of the Directors individually, as well as the evaluation of the working of its Audit, Nomination & Remuneration, and Corporate Social Responsibility Committees through circulation of detailed questionnaires to the Directors and feedback received thereon.

The process and criteria for annual performance evaluation of the Board, its Committees and individual Directors had been laid down by the Nomination and Remuneration Committee and the Board of Directors of your Company.

The evaluation process covered the aspects which included participation in the long term strategic planning, contribution to and monitoring of corporate governance practices and the fulfilment of Directors' obligation and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings.

The Nomination and Remuneration Committee (NRC) at its meeting reviewed the performance of the Board as a whole and that of the individual Directors. The Board at its meeting also reviewed the performance of the Board as a whole, its Committees, Chairman and individual Directors taking into account feedback of the Nomination and Remuneration Committee.

(g) Green Initiative:

Pursuant to Sections 101 and 136 of the Act read with Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014, the Company can send Notice of Annual General Meeting, financial statements and other communication in electronic forms. Your Company is sending the Annual Report for the Financial Year 2020-21 including the Notice of Annual General Meeting, Audited Financial Statements, Directors' Report along with their Annexures etc. in the electronic mode to the Shareholders.

Disclosure and Composition of the Committees of the Board

The details of the Committees constituted by the Board of Directors are as follows:

(a) Audit Committee:

As on March 31, 2021 the Audit Committee of the Board has three (3) members comprising Non- Independent Non-Executive Directors.

The Audit Committee met six times during the financial year ended March 31, 2021. Apart from meetings, the Audit Committee also transacted business through Circular Resolutions.

The composition of the Audit Committee as on March 31, 2021 is as below:

SN	Name of the Director	Status	Category
1.	Mr. Dibyendu Dutta	Chairman	Non-Independent, Non-Executive Director
2.	Mr. Hiroshi Ebina	Member	Non-Independent, Non-Executive Director
3.	Mr. Rajeev Singhal	Member	Non-Independent, Non-Executive Director

The Audit Committee has functioned effectively during the year. The Board of Directors of your Company has accepted all recommendations of the Audit Committee during the year under review. The Company Secretary acts as Secretary to the Audit Committee.

(b) Nomination & Remuneration Committee:

As on March 31, 2021 the Nomination & Remuneration Committee has three (3) members comprising Non- Independent Non-Executive Directors.

The composition of the Nomination & Remuneration Committee as on March 31, 2021 is as below:

SN	Name of Member	Status	Category
2.	Mr. Rajeev Singhal	Chairman	Non-Independent, Non-Executive Director
3.	Mr. Soichi Yonezawa	Member	Non-Independent, Non-Executive Director
4.	Mr. Dibyendu Dutta	Member	Non-Independent, Non-Executive Director

The Nomination and Remuneration Committee met five times during the financial year ended March 31, 2021. The Nomination and Remuneration Committee has functioned effectively during the year under review. The Company Secretary acts as Secretary to the Nomination and Remuneration Committee.

(c) Corporate Social Responsibility Committee:

The Board of Directors had constituted Corporate Social Responsibility Committee (CSR) as required under Section 135 of the Companies Act, 2013 and rules made there under.

As on March 31, 2021 the Corporate Social Responsibility Committee has three (3) members comprising Non-Independent Non-Executive Directors.

The composition of the Corporate Social Responsibility Committee as on March 31, 2021 is as below:

SN	Name of Director	Status	Category
1.	Mr. Dibyendu Dutta	Chairman	Non-Independent, Non-Executive Director
2.	Mr. Soichi Yonezawa	Member	Non-Independent, Non-Executive Director
4.	Mr. C. V. Sastry	Member	Non Independent, Executive Director

The Corporate Social Responsibility Committee meet once during the financial year ended March 31, 2021. The Company Secretary acts as Secretary to the Corporate Social Responsibility Committee.

The details of the meetings held by the Board and its various Committees and attendance of Directors during the year under review are given in Annexure 1 to this report.

Provisions of the Companies Act, 2013, were adhered to while considering the time gap between two meetings.

Remuneration Policy

The Board, on the recommendation of the Nomination & Remuneration Committee, has framed and approved the Policy for selection, appointment and removal of Directors, remuneration of the Directors and Key Managerial Personnel and other employees, and the same has been attached as Annexure 2 to this report.

Directors and Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, Mr. Ujjal Chakraborti, Managing Director, Mr. Pranav Kumar Jha, Chief Financial Officer and Mr. Prashant Kumar, Company Secretary are the Key Managerial Personnel (KMP) of the Company as on date of this report. Mr. C. V. Sastry Ex- Managing Director demised on June 6, 2021 and Mr. Atish Mangal, Ex- Chief Financial Officer has stepped down as the Chief Financial Officer of the Company with effect from the close of the business hour on April 14, 2021. The remuneration and other details of KMP for FY21 are provided in the extract of the Annual Return which forms part of this Directors' Report.

Directors' Responsibility Statement

Based on the framework of internal financial controls established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial auditors and external agencies including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2020-21.

Accordingly, pursuant to section 134(5) of the Companies Act, 2013, the Board of Directors based on the information and explanations obtained and to the best of their knowledge and ability confirm:

- i) that in the preparation of the annual accounts for the year ended March 31, 2021, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- ii) that the Accounting Policies as mentioned in the Notes to the Financial Statements have been applied consistently and judgments and estimates are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year ending March 31, 2021 and of the profit and loss of the Company for that period;
- iii) that 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;
- iv) that the annual accounts have been prepared on a going concern basis; and
- v) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Risk Management

Risks are events, situations or circumstances which may lead to negative consequences on the Company's business and operations. Risk Management is the process of identifying, quantifying and managing the risks that an organisation faces.

Therefore, in accordance with the provisions of the Companies Act, the Board was informed about risk assessment and minimization procedures. Thereafter, the Board approved the Policy for framing, implementing and monitoring the Risk Management Framework of the Company. The Board regularly review the Risk Management Framework.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management to guide decisions on risk related issues.

The Company continued to monitor its Enterprise Risk Management framework which was rolled out in FY18. Through a structured and focussed approach, the Enterprise Wide Risks, along with cause/s, effect/s, Early Warning Indicators (EWI) and Risk Mitigation plans were reviewed on a continuous basis. Based on the current business scenario as well as an impact of changes in macro-economic environment, new risks have also been identified and appropriate changes were carried out in the existing risks, their associated EWI's and mitigation strategies. The Risk Registers and Risk heat maps including status of EWI & Mitigation strategies were presented to the Audit Committee and the Board on a quarterly basis.

Internal Financial Control System and monitoring of Regulatory Compliance

The Company has an adequate internal control system, commensurate with the size, scale and complexity of its operations. The Company had appointed Ernst & Young as its Internal Auditors. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter at the beginning of the financial year. The Internal Audit evaluates the adequacy of the internal control systems and its compliance with the policies and procedures of the Company. Significant audit observations, along with corrective actions, are discussed and presented to the Audit Committee on a quarterly basis.

Further the Company, as required vide section 134(3) (q) of the Companies Act, 2013 read with Rule 8(5) (viii) of Companies (Accounts) Rules 2014, has Internal Financial Controls with reference to the Financial Statements that are commensurate with its size, scale, complexity and operations. The same have been designed to ensure proper recording of financial and operational information and compliance of various internal control and other regulatory and statutory compliances. Internal Financial control requires that the Directors review the effectiveness of internal controls and compliance controls, financial and operational risks and related party transactions. Based on the self-certification of internal controls by the executives, with reference to the financial statements, the Managing Director and the Chief Financial Officer certify to the Audit Committee regarding effectiveness of such control systems, their adherence to Code of Conduct and Company's policies.

As per requirement of section 143(3)(i) of the Companies Act 2013, Price Waterhouse & Co. Chartered Accountants LLP, the Statutory Auditors of the Company, have carried out an audit of Internal Financial Control over financial reporting as at March 31, 2021 and submitted their report that the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021.

The Company continues to strengthen its regulatory and compliance framework through its digital initiative of Legal and Regulatory Compliance Management solution – Legatrix, which enables the Company to closely monitor and review its compliance requirements in a timely manner.

Frauds reported by Auditor

During the financial year under review, no fraud has been reported by both the Statutory Auditor and Secretarial Auditor.

Vigil Mechanism / Whistle Blower Policy

In compliance with provisions of Section 177 of the Act, the Board of Directors of the Company has adopted and updated the Whistle Blower Policy for its employees as well as for its supplier partners in order to ensure that the activities of the Company, supplier partners and its employees are conducted in an absolutely fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity, governance and ethical behaviour. Such a policy provides a formal mechanism for all employees, supplier partners and other stakeholders to approach the Tata Steel Ethics Counsellor / Company's Ethics Counsellor/ Chairman of the Audit Committee of the Board and make protective disclosures about any unethical, actual or suspected fraud or violation of Tata Code of Conduct.

The Management affirms that no personnel have been denied access to the Audit Committee Chairman during the year under review.

Related Party Transactions

The related party contracts or arrangements entered into by the Company do not fall under the ambit of section 188(1) of the Act and all related party transactions during the financial year were on an arm's length basis and in the ordinary course of business.

All Related Party Transactions (RPTs) were placed before the Audit Committee for approval before entering in to such transactions either through the omnibus approval route or as new transactions, as required. Details of the actual transactions entered into, pursuant to the such RPTs approval are placed before the Audit Committee on a half yearly basis. A policy for approval of omnibus transactions with Related Parties has been adopted to regulate the transactions between the Company and its related parties in compliance with the applicable provisions of Companies Act, 2013 and rules made thereunder.

None of the Directors have any pecuniary relationship or transaction vis-à-vis the Company.

Since, all the transactions entered into by the Company with the related parties during the period under review were in the Ordinary Course of Business and at Arm's Length, hence, the particulars required under section 134 (1)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 relating to contracts or arrangements entered into by the Company with related parties referred to in section 188 (1) of the Act in Form AOC – 2 are not required to be provided.

For the details of all RPTs as required by the Accounting Standard on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, please refer Note No 24 of notes to the Financial Statements for the year ended March 31, 2021.

Disclosure under the Sexual Harassment of Woman at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirement of the Prevention of Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013. An Internal Complaints Committee (ICC) exists to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy. During the year, your Company has not received any complaint of sexual harassment.

Auditors:

Statutory Auditors

As per provisions of Section 139 of the Companies Act, 2013, at 6th Annual General Meeting held on August 30, 2017, M/s Price Waterhouse & Co., Chartered Accountants LLP (Firm Registration No. 304026E/E-300009), was appointed as Statutory Auditors of the Company for a term of five years commencing from the conclusion of 6th Annual General Meeting till the conclusion of 11th Annual General Meeting to be held in FY 2022-23, subject to annual ratification by the members at every Annual General Meeting.

However, vide Notification No. DL—(N)04/0007/2003—18, dated January 3, 2018, issued by the Central Government in the Official Gazette, the Companies (Amendment) Act, 2017 was notified whereby the provision regarding annual ratification of appointment of Statutory Auditors by the members at Annual General Meeting has been dropped.

The Statutory Auditor's Report is annexed to this Report. It does not contain any qualification, reservation or adverse remark, which warrants Management comments.

Secretarial Auditors

Pursuant to the provisions of Section 204 (1) of the Companies Act, 2013 and the Rules made thereunder, the Company had appointed M/s Subhasis Bosu & Co, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for FY21. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark, which warrants Management comments. The Secretarial Audit Report is annexed to this report as **Annexure 3**.

On the recommendation of the Audit Committee, the Board of Directors has appointed Mr. Sital Prasad Swain, Practicing Company Secretary as the Secretarial Auditor of the Company for FY22. Mr. Swain confirmed that they are not subject to any disqualification as Secretarial Auditor of the Company in terms of Section 204 of the Companies Act, 2013 read with the existing guidelines of the Institute of Company Secretaries of India. They also have confirmed their independent status and an arm's length relationship with the Company.

Cost Auditors

In terms of section 148 of the Companies Act, 2013 read with Companies (Cost records and audits) Rules, 2014, as amended, the Company is required to have the audit of its cost records conducted by Practicing Cost Accountants. In this connection, the Board of Directors of the Company has, on the recommendation of the Audit Committee, appointed M/s. Shome & Banerjee, as the Cost Auditors of the Company to audit its Cost records for FY22.

M/s Shome & Banerjee have confirmed that they are free from disqualification specified under Section 141 (3) and proviso to Section 148 (3) read with Section 141 (4) of the Companies Act 2013 and that their appointment meets the requirements of Section 141 (3) (g) of the Companies Act 2013. They have further confirmed their independent status and an arm's length relationship with the Company.

The remuneration payable to the Cost Auditor is required to be placed before the Members at Annual General meeting for its ratification. Accordingly, a Resolution seeking Members' ratification to the remuneration payable to M/s. Shome & Banerjee, Cost Auditors for FY22 is included as Item No. 9 of the notice convening the forthcoming Annual General Meeting.

Conservation of Energy, Technology absorption and Foreign Exchange earnings & outgo:

Information as per Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 is given below:

A. Conservation of Energy:

Information as per Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 is given below:

The Company undertook following actions to reduce energy consumption in FY21.

1. Replacement of oversized condensate water pumps & motors in Chiller Plant with low-capacity energy efficient pumps & motors which resulted into potential annual energy saving of 634 MWH.
2. Energy Saving of around 22.2 MWH due to power generation by grid tied 20KW rooftop solar plant.
3. The Company achieved targeted specific electrical energy consumption for FY21 i.e., 86.46 KWh/T (94.58KWh/T in FY20) i.e. leading to potential energy saving of 8.58 % i.e. 8.12KWh/T

B. Technology Absorption:

1. New Grade Dual Phase 780Mpa has been developed and approved from TKML, TML, KIA, RNAL, M&M.
2. A Cyclone has been installed at SCF zone of CAPL furnace to clean the suspended partials in the furnace atmosphere, this will help in avoiding material built up on SCF section Hearth rolls & in turn it will help surface quality defect on the strip.
3. Company installed Mild Steel Rubber Lined (MSRL) Vessel for DM Water Plant in place of Fiber Reinforced Plastic (FRP) Vessel. This will enhance life of the Vessel and also result in better reliability of DM Water Plant.
4. To reduce Crane wheel & rail wear out the Company has installed a new designed rail lubrication system in BC bay cranes.

C. Foreign Exchange Earnings & Outgo:

This information has been covered as a part of the Notes to the Financial Statements for the year ended March 31, 2021.

Annual Return

In compliance with section 134(3) (a) of the Act, an extract of the Annual Return in the prescribed format is enclosed as Annexure 4.

Significant and Material orders passed by the Regulators or Courts

There have been no significant and material orders passed by the Regulators or Courts which would impact the going concern status of the Company and its future operations.

Public Deposits

The Company has not accepted or renewed any deposit from the public during the year under review.

Particulars of Loans, Guarantees or Investments

The Company has not granted any loan or made any investments covered under section 186 of the Companies Act, 2013.

Other Disclosures

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

There was no change in the nature of business during FY21.

During the year, TSL has transferred its entire shareholding to Tata Steel Downstream Products Limited (TSDPL), a 100% subsidiary of TSL. The Company does not have any subsidiary, joint ventures or associates.

Compliance with Secretarial Standards

The Company has complied with all the applicable Secretarial Standards during the financial year under review.

Acknowledgement

The Directors acknowledge with thanks and gratitude the co-operation and support received by the Company from the Joint Venture Partners-cum-Shareholders – Tata Steel Limited and Nippon Steel Corporation, Customers, Supplier Partners, Financial Institutions, Bankers and all other business associates for extending their invaluable support.

The Directors also place on record their appreciation of the contribution, dedication and hard work of all the employees and co-operation extended by the Trade Union of the Company.

The Directors also thank the Government of India, the State Governments where the Company has operations and other Government agencies for their support and look forward to their continued support in future.

For and on behalf of the Board of Directors

Place: Kolkata
Dated: July 13, 2021

Hiroshi Ebina
Chairman
(DIN: 08224876)

Annexure- 1

Meetings of the Board of Directors convened and held during the financial year ended March 31, 2021

Meetings of Board of Directors

SN	Name of Directors	Number of Meetings held during the financial year 2020-21	Number of Meetings attended
1.	Mr. Hiroshi Ebina	10	10
2.	Mr. Rajeev Singhal	10	10
3.	Mr. Dibyendu Dutta	10	10
4.	Mr. Soichi Yonezawa	10	10
5.	Ms. Jaya Singh Panda #	10	9
6.	Mr. C.V. Sastry	10	10

Appointed as an Additional Director with effect from April 15, 2020 and her appointment was regularised at the 9th AGM held on September 16, 2020.

Meetings of the Audit Committee

SN	Name of Directors	Number of Meetings held during the financial year 2020-21	Number of Meetings attended
1.	Mr. Dibyendu Dutta	6	6
2.	Mr. Hiroshi Ebina	6	6
3.	Mr. Rajeev Singhal	6	5

Meetings of the Nomination & Remuneration Committee

SN	Name of Directors	Number of Meetings held during the financial year 2020-21	Number of Meetings attended
1.	Mr. Rajeev Singhal	5	5
2.	Mr. Dibyendu Dutta	5	5
3.	Mr. Soichi Yonezawa	5	5

Annexure- 2

PART A POLICY ON APPOINTMENT AND REMOVAL OF DIRECTORS

1. Introduction

- 1.1. In terms of Section 178 of the Companies Act, 2013 and rules made thereunder as amended, from time to time, the Company has formulated this policy on appointment and removal of Directors. The same Policy has been adopted by the NRC and approved by the Board of Directors
- 1.2. This policy shall act as a guideline for determining qualifications, positive attributes, independence of a Director and matters relating to the appointment and removal of Directors.

2. Objective of the Policy

- 2.1 To lay down criteria and terms and conditions with regard to the identification of persons who are qualified to become Directors (Executive, Non-Executive and Independent) including their qualifications, positive attributes and independence and who may be appointed as the Senior Management of the Company.

3. Appointment Of Directors

This Policy enumerates guidelines to be used by NRC in selecting/appointing/re-appointing and removal of a Director. For all the above stated matters, the Parent Company/GIM, TSL may make suggestions from time to time, to Chairman, NRC or to the representative of the Parent Company, who may incorporate the same while recommending to the Board.

- 3.1 Assess skill-sets the Board needs given the strategies, challenges faced by the Company.
- 3.2 In selecting individuals for appointment/re-appointment/removal of directors, the NRC to refer the following guidelines/policies:
 - 3.2.1 Board Membership Criteria (Refer **Schedule A**)
 - 3.2.2 Board Diversity Policy, if any, framed as per the requirement of law (Refer **Schedule B**)
 - 3.2.3 Criteria for determining independence of Directors (in case of appointment of Independent Directors (Refer **Schedule C**))
- 3.3 Request candidature from the database maintained by Parent Company/GIM, TSL
- 3.4 NRC members (either jointly/individually, as delegated) shall meet the potential candidate and assess his/her suitability for the role.
- 3.5 NRC to recommend the appointment of shortlisted candidate to the Board for its consideration.
- 3.6 Emergency Succession: If position of a Director suddenly becomes vacant by reason of death or other unanticipated occurrence, the NRC shall convene a special meeting at the earliest opportunity to fill such vacancy.

4. Policy Implementation

- 4.1 The Committee is responsible for recommending this Policy.
- 4.2 The Board is responsible for approving and overseeing implementation of this Policy (with the support of the Committee)

5. Review of the Policy

This Policy will be reviewed and reassessed by the Committee as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

6. Applicability to Subsidiary / Associate / Joint Venture Companies

This Policy may be adopted by the Company's subsidiaries/ Associates and Joint Ventures, if any, subject to suitable modifications and approval of the Board of Directors of the respective companies.

7. Compliance Responsibility

Compliance to this Policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarifications from the Management in this regard.

Schedule A

BOARD MEMBERSHIP CRITERIA

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills, and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education, and public service. Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

In evaluating the suitability of individual Board members, the Committee considers many factors, including general understanding of marketing, finance, operations management, public policy, international relations, legal, governance and other disciplines relevant to the success of the Company in today's business environment; understanding of the Company's business; experience in dealing with strategic issues and long-term perspectives; maintaining an independent familiarity with the external environment in which the Company operates and especially in the Director's particular field of expertise; educational and professional background; personal accomplishment; and geographic, gender, age, and ethnic diversity.

The Board evaluates each individual in the context of the Board as a whole, with the objective of having a group that can best perpetuate the success of the Company's business and represent stakeholders' interests through the exercise of sound judgment, using its diversity of experience.

In determining whether to recommend a Director for re-election, the Committee, also considers the Director's past attendance at meetings, participation in meetings and contributions to the activities of the Board, and the results of the most recent Board self-evaluation.

Board members are expected to rigorously prepare for, attend and participate in all Board and applicable committee meetings. Each member is expected to ensure that their other current and planned future commitments do not materially interfere with their responsibilities at Jamshedpur Continuous Annealing & Processing Company Private Limited.

Schedule B

BOARD DIVERSITY POLICY

1. Purpose

The need for diversity in the Board has come into focus post the changes in the provisions of the Companies Act, 2013 ("Act") and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Listing Agreement.

The NRC has framed this policy to set out the approach to diversity on the Board of the Company ("Policy").

2. Scope

This Policy is applicable to the Board of the Company.

3. Policy Statement

The Company recognizes the importance of diversity in its success. It is essential that the Company has as diverse a Board as possible.

A diverse Board will bring in different set of expertise and perspectives. The combination of Board having different skill set, industry experience, varied cultural and geographical background and belonging to different race and gender will bring a variety of experience and viewpoints which will add to the strength of the Company.

While all appointments to the Board are made on merit, the diversity of Board in aggregate will be of immense strength to the Board in guiding the Company successfully through various geographies.

The Committee reviews and recommends appointments of new directors to the Board. In reviewing and determining the Board composition, the Committee will consider the merit, skill, experience, race, gender and other diversity of the Board.

To meet the objectives of driving diversity and an optimum skill mix, the Committee may seek the support of Parent company/GIM Centre, TSL.

4. Monitoring and Reporting

The Committee will report annually, in the corporate governance section of the Annual Report of the Company, the process it employed in Board appointments, if required by the law. The report will include summary of this Policy including purpose and the progress made in achieving the same.

5. Review of the Policy

This Policy will be reviewed and reassessed by the Committee as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise

6. Applicability to Subsidiary/Associate/Joint Venture Companies

This Policy may be adopted by the Company's subsidiaries/ Associates and Joint Ventures, if any, subject to suitable modifications and approval of the Board of Directors of the respective companies.

7. Compliance Responsibility

Compliance to this policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarifications from the Management in this regard.

Schedule C

CRITERIA FOR DETERMINING INDEPENDENCE OF DIRECTORS

1. Purpose

The purpose of this Policy is to define guidelines that will be used by the Board to assess the independence of Directors of the Company.

2. Independence Guidelines

A Director is considered independent if the Board makes an affirmative determination after a review of all relevant information. The Board has established the categorical standards set forth below to assist it in making such determinations. In order for a Director to be considered independent, the Director:

- 2.1 Shall not be Managing Director or a Whole time Director or a Nominee Director.
- 2.2 Shall be, in the opinion of the Board, a person of integrity and shall possess relevant expertise and experience.
- 2.3 Shall not be a promoter of the Company or its holding, subsidiary or associate Company.
- 2.4 Shall not be related to promoters or Directors in the Company, its holding, subsidiary, or associate Company.
- 2.5 Apart from receiving Director's remuneration, shall not have any pecuniary relationships with the Company, its holding, its subsidiaries, its associate companies, its promoters, or Directors, during the current financial year or immediately preceding two financial years.
- 2.6 Relatives should not have or had pecuniary relationships or transactions with the Company, its holding (s), subsidiary or associate Company, or their promoters, or Directors, amounting to 2% or more of its gross turnover or total income or INR 50 Lakhs or such amount as the Company may prescribe, whichever is lower, during the two immediately preceding financial years or during the current financial year.
- 2.7 Neither himself / herself nor any of his / her relatives shall hold or has held the position of a KMP or is or has been employee of the Company or its holding, subsidiary or associate Company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed.
- 2.8 Neither himself / herself nor any of his / her relatives shall or has been an employee or proprietor or a partner, in any of the 3 financial years immediately preceding the financial year, of:
 - a) a firm of Auditors or Company Secretaries in practice or Cost Auditors of the Company or its holding, subsidiary or associate Company;
 - b) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with his relatives 2% or more of the total voting power of the Company ("Substantial Shareholder");
 - d) a Chief Executive or Director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the Company, any of its promoters, Directors or its holding, subsidiary or associate Company or that holds 2% or more of the total voting power of the Company. [CA Sec 149 (6)]
- 2.9 has not held office for more than 2 consecutive terms on the Board of the Company [CA Sec. 149]
- 2.10 should not be a material supplier, service provider or customer or a lessor or a lessee of the Company [additional requirement for listed companies]
- 2.11 shall not be less than 21 years of age.
- 2.12 who possesses such other qualifications as may be prescribed by the Companies Act, 2013.

3. GLOSSARY

"Act" or "CA,2013" or "CA"	means the Companies Act, 2013, to the extent notified, from time to time, and includes any re-enactment thereof, with all schedules and tables thereunder, as notified, with effect from the date of such notification in the official gazette of India including all rules, notifications, circulars, clarifications and orders issued thereunder including certain provisions of the Companies Act, 1956, as and where specified, and "Section" shall mean a section of the said Act.
"Board"	implies the Board of Directors of the Company
"Company"	implies Jamshedpur Continuous Annealing & Processing Company Pvt. Ltd.
"Committee"/or "NRC"	implies the Nomination and Remuneration Committee of the Company
"Directors"	implies the Directors on the Board
"Executive Director" or "ED"	implies Executive Director of the Company
"Independent Director" or "ID"	implies a non-executive Director of the Company, other than a nominee Director and who is neither a promoter nor belongs to the promoter group of the Company, and who satisfies other criteria for independence mentioned in the Companies Act, 2013 and the Listing Agreement entered into, with the respective Stock Exchanges in India
"Key Managerial Personnel""KMP"	In relation to the Company, means the following Key Managerial Personnel: a. The Chief Executive Officer and/or Managing Director b. Company Secretary c. Whole-time Director d. Chief Financial Officer
"MD"	implies the Managing Director of the Company
"Policy"	implies this Policy on appointment and removal of Directors as framed by the Committee; Policy on remuneration for Directors, Key Managerial Personnel and other employees; Process and criteria for annual performance evaluation of the Board, its Committees and Directors, as applicable
"Parent Company"	Parent Company means a person/company who has control over the affairs of the Company, directly or indirectly, as a shareholder or otherwise and in accordance with whose advice, directions or instructions, the Board of Directors of the company is accustomed to act.
"Group Investment Management Center" or "GIM Center"	Group Investment Management Centre means department of Tata Steel Corporate function led by Group Director (Investments and New Ventures), Tata Steel. GIM acts as a single window among the Tata Steel Group Companies (i.e. Tata Steel, its subsidiaries, associates and JVs).

Additional Definitions:

1. **“Nominee Director”** implies a Director nominated by any financial institution in pursuance of the provisions of any law for the time being in force, or of any agreement, or appointed by any government or any other person to represent its interests. [Companies Act 2013 – 149 Explanation]
2. **“Associate Company”** implies a Company which is an “associate” as defined in Accounting Standard (AS) 23, “Accounting for Investments in Associates in Consolidated Financial Statements”, issued by the Institute of Chartered Accountants of India. [Clause 49 IIB, explanation]

Associate Company in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company. [Sec 2(6) of CA, 2013]

Explanation. —For the purposes of this clause, “significant influence” means control of at least twenty per cent of total share capital, or of business decisions under an agreement;

3. **“Relative”** implies anyone who is related to another if they are members of HUF; if they are husband and wife; or if one person is related to the other in such manner as may be prescribed under the Act. A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely – Father (includes step-father), Mother (includes step-mother), Son (includes step-son), Son’s wife, Daughter, Daughter’s husband, Brother (includes step-brother), Sister (includes step-sister) [CA Sec. 2(77)]

Explanations:

Consecutive Terms: He/ she shall be eligible for appointment as Independent Director after the expiration of three years of ceasing to be a Director on the Board of the Company provided that he / she shall not during the said period of three years, be appointed in or associated with Jamshedpur Continuous Annealing & Processing Company Private Limited, in any other category, either directly or indirectly.

PART B

REMUNERATION POLICY OF DIRECTORS, KMPs AND OTHER EMPLOYEES

The philosophy for remuneration of directors, Key Managerial Personnel (“KMP”) and all other employees of Jamshedpur Continuous Annealing & Processing Company Private (“Company”) is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 (“Act”). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail, and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee (“NRC”) has considered the factors laid down under Section 178(4) of the Act, which are as under:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals”

For all matters related to remuneration to directors, the Parent Company/GIM Center may make suggestions from time to time, to Chairman, NRC or to representative of the Parent Company, who may incorporate the same while recommending to the Board.

Key principles governing this remuneration policy are as follows:

1. Remuneration for Independent Directors and Non-Independent, Non-Executive Directors

- 1.1. Overall remuneration should be reflective of the size of the company, complexity of the sector/ industry/ company’s operations and the company’s capacity to pay the remuneration.
- 1.2. Independent Directors (“ID”) and non-independent Non-Executive Directors (“NED”) may be paid sitting fees (for attending the meetings of the Board and of Committees of which they may be members). Quantum of sitting fees and NED Commission may be subject to review on a periodic basis, as required.
- 1.3. Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- 1.4. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).
- 1.5. Overall remuneration practices should be consistent with recognized best practices.
- 1.6. The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board, based on company’s performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- 1.7. The NRC will recommend to the Board, the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
- 1.8. In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/ her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/ Board’s committee

meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a Director.

2. Remuneration for Managing Director (“MD”)/ Executive Directors (“EDs”)/ KMP/ rest of the employees

- 2.1. The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be
 - 2.1.1. Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)
 - 2.1.2. Driven by the role played by the individual,
 - 2.1.3. Reflective of size of the company, complexity of the sector/ industry/ company’s operations and the company’s capacity to pay,
 - 2.1.4. Consistent with recognized best practices and
 - 2.1.5. Aligned to any regulatory requirements.
- 2.2. In terms of remuneration mix or composition,
 - 2.2.1. The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
 - 2.2.2. Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - 2.2.3. In addition to the basic/ fixed salary, the company may provide employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company may also provide all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
 - 2.2.4. The company provides retirement benefits as applicable.
 - 2.2.5. In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company may provide MD/ EDs such remuneration by way of bonus/performance linked incentive and/or commission calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
 - 2.2.6. The company may provide the rest of the employees a performance linked bonus and/or performance linked incentive. The performance linked bonus/performance linked incentive would be driven by the outcome of the performance appraisal process and the performance of the company.

3. Remuneration payable to Director for services rendered in other capacity

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such Director in any other capacity unless:

- The services rendered are of a professional nature; and
- The NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

4. Premium on Insurance policy

- 4.1. Where any insurance is taken by the Parent Company or by the company on behalf of the Company's NEDs, for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration.
- 4.2. Where any insurance is taken by the Parent Company or by the company on behalf of the Company's MD/EDs, KMP and any other employees for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Policy implementation

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

Review of the Policy

This Policy will be reviewed and reassessed by the NRC as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

Applicability to subsidiaries, associates and joint venture companies

This Policy may be adopted by the company's subsidiaries, associates and joint venture companies, if any, subject to suitable modifications and approval of the Board of Directors of the respective companies.

Compliance Responsibility

Compliance of this policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarification from the management in this regard.

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,
Jamshedpur Continuous Annealing & Processing Company Private Limited
CIN: U27310WB2011PTC160845
Tata Centre, 43, Jawahar Lal Nehru Road,
Kolkata- 700 071

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Jamshedpur Continuous Annealing & Processing Company Private Limited** (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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by ("the Company") for the financial year ended on **31st March, 2021** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) 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; We further report that the Company has complied with other laws, as specifically applicable to the Company, as certified by the Management of the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards SS-1 & SS-2 as specified by the Institute of Company Secretaries of India (ICSI), as per the requirement of the provisions of section 118(10) of the Companies Act, 2013.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors including Woman Director. During the year under review, with effect from April 15, 2020, the Company has appointed Ms. Jaya Singh Panda (DIN-08734069) as a Director on the Board of Directors of the Company. The Company in terms of Notification G.S.R. 839 (E) dated July 5, 2017 issued by the Ministry of Corporate Affairs, has decided not to re-appoint/ appoint the Independent Directors.

Adequate notice of the Meeting was given to all directors. 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. In case of shorter notice, the company has complied with the provisions of section 173 of the Companies Act, 2013. Majority decision is carried through while members' views are captured and recorded as part of the minutes.

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

We further state that, we could have verified records, registers as maintained by the company with the help of digital remote access, as because of pandemic COVID-19, spread worldwide, we could not able to access physically to all relevant records, registers. Management representation letter also have substantiated to prepare this report.

For Subhasis Bosu & Co.

Company Secretaries

CS Subhasis Bosu
Proprietor
FCS No.:7277, C P No.:11469
UDIN: F007277C000017683

Place: Kolkata

Date: 5th day of April, 2021

*This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.*

To,

The Members
Jamshedpur Continuous Annealing & Processing Company Private Limited
CIN: U27310WB2011PTC160845
Tata Centre, 43, Jawahar Lal Nehru Road,
Kolkata- 700 071

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

1. Maintenance of secretarial record 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 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 are the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Subhasis Bosu & Co.
Company Secretaries

CS Subhasis Bosu
Proprietor
FCS No.:7277, C P No.:11469
UDIN: F007277C000017683

Place: Kolkata

Date: 5th day of April, 2021

Annexure- 4

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31st March, 2021

*Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.*

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U27310WB2011PTC160845
2.	Registration Date	17 th March, 2011
3.	Name of the Company	Jamshedpur Continuous Annealing & Processing Company Private Limited
4.	Category/ Sub - category of the Company	Manufacturing Cold Rolled Continuous Annealed Steels
5.	Address of the Registered office, & contact details	Tata Centre, 43, Jawahar Lal Nehru Road, Kolkata- 700 071, E-mail: communication@jcapcpl.com Ph: 9031000750
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. TSR Darashaw Consultant Private Limited 6-10, Haji Moosa Patrawala Industrial Estate 20 Dr E. Moses Road, Mahalaxmi, Mumbai 400 011

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

SN	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the company
1	Manufacture of Cold Rolled Continuous Annealed Automotive Steels	24105	98%
2	Processing of Full Hard Cold Rolled Steels into Cold Rolled Continuous Annealed Steels	24105	2%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Holding Company : **Tata Steel Downstream Products Limited**
Subsidiary/ Associate Companies : **Nil**

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

A. Category-wise Share Holding

Category of shareholders	No of Shares held (In Lakh)								% Change during the year
	At the beginning of the year [As on 1 st April, 2020]				At the end of the year [As on 31 st March, 2021]				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	6,895.2		6,895.2	51%	7303.2	-	7303.2	51%	408.0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total A(1)	6,895.2	-	6,895.2	51%	7303.2	-	7303.2	51%	408.0
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other – Individuals	-	-	-	-	-	-	-	-	-
(c)Bodies Corp.	6,624.8	-	6,624.8	49%	7,016.8	-	7,016.8	49%	392.0
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e)Any Other	-	-	-	-	-	-	-	-	-
Sub Total A(2)	6,624.8	-	6,624.8	49%	7,016.8	-	7,016.8	49%	392.0
Total shareholding of Promoter	13,520	-	13,520	100%	14,320	-	14,320	100%	800

B. Shareholding of Promoters**(In Lakh)**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Tata Steel Limited	6,895.2	51%	Nil	Nil	Nil	Nil	(51%)
	Tata Steel Downstream Products Limited	Nil	Nil	Nil	7303.2	51%	Nil	51%
2	Nippon Steel Corporation	6,624.8	49%	Nil	7,016.8	49%	Nil	Nil

C. Change in Promoters' Shareholding (please specify, if there is no change)**(In Lakh)**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
a.	Tata Steel Limited:				
	At the beginning of the year	6,895.2	51%	6,895.2	51%
	Date wise Increase / Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc):				
		Allotment of Rights Shares on 11.05.2020 :- 153		7,048.2	51%
		Allotment of Rights Shares on 11.06.2020 :-255		7,303.2	51%
		Transfer of Shares in favour of Tata Steel Downstream Products Limited on 01.01.2021:- 7303.2		Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
b.	Tata Steel Downstream Products Limited				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc):				
		Received Shares from Tata Steel Limited by way of Transfer on 01.01.2021:- 7303.2		7303.2	51%

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
c.	Nippon Steel Corporation:				
	At the beginning of the year	6,624.8	49%	6,624.8	49%
	Date wise Increase / Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc):	Allotment of Rights Shares on 11.05.2020 :- 147		6,771.8	49%
		Allotment of Rights Shares on 11.06.2020 :-245		7,016.8	49%
	At the end of the year	7,016.8	49%	7,016.8	49%

**D. Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

The Company has two Promoters shareholders only.

(In Lakh)

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
a.	Tata Steel Limited:				
	At the beginning of the year	6,895.2	51%	6,895.2	51%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Allotment of Rights Shares on 11.05.2020 :- 153		7,048.2	51%
		Allotment of Rights Shares on 11.06.2020 :-255		7,303.2	51%
		Transfer of Shares in favour of Tata Steel Downstream Products Limited on 01.01.2021:- 7303.2		Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
b.	Tata Steel Downstream Products Limited :				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Received Shares from Tata Steel Limited by way of Transfer on 01.01.2021: - 7303.2		7303.2	51%
	At the end of the year	7303.2	51%	7303.2	51%

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
c.	Nippon Steel Corporation :				
	At the beginning of the year	6,624.8	49%	6,624.8	49%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Allotment of Rights Shares on 11.05.2020 :- 147		6,771.8	49%
		Allotment of Rights Shares on 11.06.2020 :-245		7,016.8	49%
	At the end of the year	7,016.8	49%	7,016.8	49%

E. Shareholding of Directors and Key Managerial Personnel

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

F. Indebtedness -

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

(In Rs. Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,27,206	-	-	1,27,206
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,109			1,109
Total (i+ii+iii)	1,28,315	-	-	1,28,315
Change in Indebtedness during the financial year				
* Addition	20,162	-	-	20,162
* Reduction	48,165	-	-	48,165
Net Change	-28,003	-	-	-28,003
Indebtedness at the end of the financial year				
i) Principal Amount	99,838	-	-	99,838
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	474	-	-	474
Total (i+ii+iii)	1,00,312	-	-	1,00,312

G. Remuneration of Directors and Key Managerial Personnel-

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

(In Rs. Lakh)

SN.	Particulars of Remuneration	Name of Managing Director	Total Amount
		C.V. Sastry	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961	163.74*	163.74
	(b) Value of perquisites u/s 17(2) Income - tax Act, 1961	1.80	1.80
	(c) Profits in lieu of salary under section 17(3) Income - tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission -as % of profit - others, specify...	-	-
5	Others (Retirement Benefits)	6.52	6.52
	Total (A)	172.06*	172.06
	Ceiling as per the Act	172.06	172.06

*includes payment of Long Term Incentive Plan (LTIP) for FY17 & 18.

B. Remuneration to other Directors

(In Rs. Lakh)

SN.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Hiroshi Ebina	Mr. Rajeev Singhal	Mr. Dibyendu Dutta	Mr. Soichi Yonezawa	Ms. Jaya Singh Panda	
1	Independent Directors						
	Fee for attending board & committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-
2	Other NonExecutive Directors	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration (A) + (B)						
	Overall Ceilings per the Act						

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

(In Rs. Lakh)

SN	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Atish Mangal#	Mr. Prashant Kumar	Total
		CFO	CS	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42.70	13.89	56.59
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income -tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	Others (Retirement Benefits)	1.62	0.77	2.39
5	Others, please specify	-	-	-
	Total	44.32	14.66	58.98

Mr. Mangal was Chief Financial Officer till April 14, 2021

V. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of Offences during the year ended March 31, 2021.

Independent Auditor's Report

TO THE MEMBERS OF

JAMSHEDPUR CONTINUOUS ANNEALING & PROCESSING COMPANY PRIVATE LIMITED

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Jamshedpur Continuous Annealing and Processing Company Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 ("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, 2021, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) 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 opinion.

Other Information

4. The Company'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 financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

5. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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 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.

6. 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

7. 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.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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.
9. 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.
10. 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

11. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. 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 other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement 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.
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the financial statements;
 - ii. The Company has long-term contracts including derivative contracts as at March 31, 2021 for which there were no material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.
13. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/ E-300009
Chartered Accountants

Sonika Burman
Partner
Membership Number: 504839
UDIN: 21504839AAAABS5288

Place: Gurgaon
Date: April 14, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Jamshedpur Continuous Annealing and Processing Company Private Limited on the financial statements for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Jamshedpur Continuous Annealing and Processing Company Private Limited ("the Company") as of March 31, 2021 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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls 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 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to 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 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.
5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. 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 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

7. 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 controls 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, 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.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/ E-300009
Chartered Accountants

Sonika Burman
Partner
Membership Number: 504839
UDIN: 21504839AAAABS5288

Place: Gurgaon
Date: April 14, 2021

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Jamshedpur Continuous Annealing and Processing Company Private Limited on the financial statements as of and for the year ended March 31, 2021

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) In respect of immovable properties of self-constructed buildings on leasehold land which are disclosed as fixed assets in Note 3 to the financial statements, the land lease agreement is in the name of the Company as the lessee in the agreement.
- ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 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 Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.

We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' pension scheme, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 34 to the financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service-tax, duty of customs, goods and services tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, duty of excise, value added tax, as at March 31, 2021 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	0.15	2013-15	Commissioner of Income tax (Appeals)
Jharkhand Value Added Tax Act, 2005	Value Added Tax	26	2014-15	Deputy Commissioner of Commercial Taxes
Jharkhand Value Added Tax Act, 2005	Value Added Tax	239	2014-15	Deputy Commissioner of Commercial Taxes
Jharkhand Value Added Tax Act, 2005	Value Added Tax	10.84	2015-16	Joint Commissioner of Commercial Taxes (Appeals)
Jharkhand Value Added Tax Act, 2005	Value Added Tax	84.82	2016-17	Joint Commissioner of Commercial Taxes (Appeals)
Central Sales Tax	Sales Tax	11.32	2016-17	Joint Commissioner of Commercial Taxes (Appeals)
Central Excise Act, 1944	Duty of Excise	3486.06	2013-14	Customs Excise and Service Tax Appellate Tribunal (CESTAT)

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank as at the balance sheet date. The Company does not have any loans or borrowings from Government, nor has it issued any debentures.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration Number: 304026E / E300009
Chartered Accountants

Sonika Burman
Partner
Membership Number: 504839
UDIN: 21504839AAAABS5288

Place: Gurgaon
Date: April 14, 2021

Balance Sheet as at 31st March 2021

In Rs. Lakhs

Particulars	Note	As at 31.03.2021	As at 31.03.2020
ASSETS			
(1) Non-current assets			
(a) Property, Plant & Equipment	03	1,78,754.51	1,84,333.80
(b) Capital work-in-progress	03	232.21	310.76
(c) Other Intangible assets	04	1,546.99	2,147.60
(d) Financial Assets Swap and Derivative Receivables		1,002.86	5,081.46
(e) Other non current assets	05	378.25	525.08
Total Non Current Assets		1,81,914.82	1,92,398.70
(2) Current assets			
(a) Inventories	06	30,757.67	33,599.55
(b) Financial Assets			
(i) Trade receivables	07	33,635.98	11,152.53
(ii) Cash and cash equivalents	08	8,565.81	824.88
(iii) Bank Deposits		-	1.00
(iv) Interest Accrued on Bank Deposits		6.82	0.45
(v) Swap and Derivative Receivables		1,904.75	2,345.87
(vi) Unbilled revenue (contract assets)		20.87	75.10
(c) Other current assets	09	2,753.26	4,022.18
Total Current Assets		77,645.16	52,021.56
Total Assets		2,59,559.98	2,44,420.26
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	10	1,43,200.00	1,35,200.00
(b) Other Equity	11	(30,507.00)	(51,160.29)
Total Equity		1,12,693.00	84,039.71
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	77,348.27	98,956.92
(ii) Deferred Liability		5,199.27	-
(b) Provisions	13	152.05	125.59
Total Non-Current Liabilities		82,699.59	99,082.51
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	1,397.04	8,616.60
(ii) Trade Payables			
Due to Micro, Small & Medium Enterprises	14	143.00	273.66
Due to creditors other than Micro, Small Medium Enterprises	14	35,671.67	19,174.37
(iii) Other Financial Liabilities	15	24,043.13	22,803.65
(iv) Deferred Liability		-	8,794.02
(b) Other current liabilities	16	2,689.11	1,429.84
(c) Provisions	13	223.44	205.90
Total Current Liabilities		64,167.39	61,298.04
Total Equity and Liabilities		2,59,559.98	2,44,420.26

The above Balance Sheet should be read in conjunction with the accompanying notes
This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board of Directors

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration No: 304026E/E300009
Chartered Accountants

Hiroshi Ebina
Chairman
(DIN: 08224876)

Prashant Kumar
Company Secretary
ACS: A19510

Dibyendu Dutta
Director
(DIN: 01111150)

Sonika Burman
Partner
Membership No. 504839
Gurugram, 14th April, 2021

Atish Mangal
Chief Financial Officer
Kolkata, 14th April, 2021

C.V. Sastry
Managing Director
(DIN: 03434562)

Statement of Profit and Loss for the year ended 31st March, 2021

In Rs. Lakhs

Particulars	Note	Year ended 31.03.2021	Year ended 31.03.2020
I REVENUE			
(a) Revenue from operations	17	2,16,609.57	1,88,463.19
(b) Other Income	18	285.78	345.23
Total Revenue		2,16,895.35	1,88,808.42
II EXPENSES			
(a) Cost of raw materials consumed	19	1,44,367.78	1,34,393.12
(b) Changes in inventories of finished goods	20	2,283.28	298.67
(c) Employee benefits expense	21	2,847.78	2,681.79
(d) Finance costs	22	9,372.09	10,823.24
(e) Depreciation and amortisation expenses	03 & 04	8,498.91	8,482.37
(f) Other expenses	23	28,909.32	32,812.60
Total Expenses		1,96,279.16	1,89,491.79
III Profit/(Loss) before tax (I - II)		20,616.19	(683.37)
IV Tax Expense			
Current tax		-	-
Deferred Tax		-	-
		-	-
V Profit/(Loss) after tax (III - IV)		20,616.19	(683.37)
VI Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plan		37.10	(94.44)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
		37.10	(94.44)
VII Total Comprehensive Profit (V + VI)		20,653.29	(777.81)
VIII Profit/(Loss) per equity share:			
(1) Basic profit/(loss) per equity share in Rs.	30	1.45	(0.05)
(2) Diluted profit/(loss) per equity share in Rs.	30	1.45	(0.05)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes

This is the Statement of Profit and Loss referred to in our report of even date.

For and on behalf of the Board of Directors

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration No: 304026E/E300009
Chartered Accountants

Sonika Burman
Partner
Membership No. 504839
Gurugram, 14th April, 2021

Prashant Kumar
Company Secretary
ACS: A19510

Atish Mangal
Chief Financial Officer

Kolkata, 14th April, 2021

Hiroshi Ebina
Chairman
(DIN: 08224876)

Dibyendu Dutta
Director
(DIN: 01111150)

C.V. Sastry
Managing Director
(DIN: 03434562)

Statement of Cash Flows for the year ended 31st March 2021

In Rs. Lakhs

	Year ended 31.03.2021	Year ended 31.03.2020
A. Cash Flow from Operating activities:		
Profit/(Loss) before taxes	20,616.19	(683.37)
<i>Adjustments for:</i>		
Depreciation and Amortisation expenses	8,498.91	8,482.37
Interest income on Bank Deposits	(55.34)	(0.22)
Net gain on sale of current investments	(21.30)	-
Other borrowing costs	152.09	344.92
Allowance for doubtful debts	(500.00)	500.00
Finance costs	9,220.00	10,478.32
Deferred Liability	(3,594.75)	(5,361.88)
(Gain) on cancellation of CCIRS	-	(3,591.64)
Loss on Assets Discarded/Written Off	23.00	238.74
Change in fair value of Swap & Derivative	1,755.47	(756.97)
Net (gain) / loss on foreign currency transactions	(1,868.38)	5,752.43
	13,609.70	16,086.07
Operating profit before working capital changes	34,225.89	15,402.70
<i>Adjustments for:</i>		
(Increase) / Decrease in Trade Receivables	(21,983.45)	4,670.83
Decrease / (Increase) in Inventories	1,048.08	(2,104.51)
Increase in Trade Payables, Other Current Liabilities, Other Financial Liabilities & Provisions	18,180.21	(4,186.03)
Decrease / (Increase) in Other Current Assets and Unbilled Revenue	1,323.15	(1,133.87)
	(1,432.01)	(2,753.58)
Cash generated from operations	32,793.88	12,649.12
Tax Refund (Including TDS Deducted)	147.30	87.64
Net cash from Operating activities	32,941.18	12,736.76
B. Cash Flow from Investing activities:		
Purchase of Property, Plant & Equipment	(541.57)	(1,552.87)
Gain on Sales of Investment	21.30	-
Fixed Deposit Maturity	1.00	-
Interest Income	48.97	0.15
	(470.30)	(1,552.72)
C. Cash Flow from Financing activities:		
Proceeds from Long Term borrowings	20,162.50	27,019.85
Net Proceeds from Short-Term borrowings	-	4,220.81
Repayment of Long Term Loan	(35,986.59)	(46,320.40)
Repayment of Short Term Loan	(7,219.56)	-
Issue of Equity Capital	8,000.00	12,000.00
Gain on cancellation CCIRS	-	3,591.64
Finance Costs	(9,651.23)	(10,836.10)
Other borrowing costs	(35.06)	(385.51)
	(24,729.95)	(10,709.71)
Net increase/ (decrease) in cash or cash equivalents: (A+B+C)	7,740.93	474.33
Cash and cash equivalents at the beginning of the year	824.88	350.55
Cash and cash equivalents at the end of the year	8,565.81	824.88
* Comprises:		
(a) Balances with banks:		
- in current accounts	2,815.81	824.88
- in deposit accounts	5,750.00	-
	8,565.81	824.88

(1) Previous year figures have been recasted / regrouped where necessary.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

The above statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standards (Ind AS) 7 'Statement of Cash Flows' notified under section 133 of the Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.

This is the Statement of Cash Flows referred to in our report of even date.

For and on behalf of the Board of Directors

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration No: 304026E/E300009
Chartered Accountants

Hiroshi Ebina
Chairman
(DIN: 08224876)

Prashant Kumar
Company Secretary
ACS: A19510

Dibyendu Dutta
Director
(DIN: 01111150)

Sonika Burman
Partner
Membership No. 504839
Gurugram, 14th April, 2021

Atish Mangal
Chief Financial Officer

C.V. Sastry
Managing Director
(DIN: 03434562)

Kolkata, 14th April, 2021

Statement of Changes in Equity for the year ended 31.03.2021

In Rs. Lakhs

A. Equity Share Capital			
Balance at March 31, 2019	1,23,200		
Change in Equity Share Capital	12,000		
Balance at March 31, 2020	1,35,200		
Change in Equity Share Capital	8,000		
Balance at March 31, 2021	1,43,200		
B. Other Equity			
	Reserves and Surplus	Other items of Other	Total
	Retained Earnings	Comprehensive Income	
Balance as at 31.03.2019	(50,412.89)	30.41	(50,382.48)
Remeasurement of defined benefits	-	(94.44)	(94.44)
Loss for the year	(683.37)	-	(683.37)
Balance as at 31.03.2020	(51,096.26)	(64.03)	(51,160.29)
Remeasurement of defined benefits	-	37.10	37.10
Profit for the year	20,616.19	-	20,616.19
Balance as at 31.03.2021	(30,480.07)	(26.93)	(30,507.00)

The above Statement of Change in Equity should be read in conjunction with the accompanying notes.

This is the Statement of Change in Equity referred to in our even date

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No: 304026E/E-300009

Chartered Accountants

Sonika Burman
Partner

Membership No. 504839
Gurugram, 14th April, 2021

For and on behalf of the Board of Directors

Hiroshi Ebina
Chairman
(DIN: 08224876)

Dibyendu Dutta
Director
(DIN: 01111150)

Prashant Kumar
Company Secretary
ACS: A19510

C.V. Sastry
Managing Director
(DIN: 03434562)

Atish Mangal
Chief Financial Officer
Kolkata, 14th April, 2021

Notes to Financial Statements

1. Corporate Information

Jamshedpur Continuous Annealing & Processing Company Private Limited is a deemed Public Company incorporated in India with its registered office in Kolkata, West Bengal, India.

The Company is engaged in the manufacture of Automotive and Non-automotive CRCA Steel.

The functional and presentation currency of the Company is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Company operates.

2. Significant Accounting Policies

(a) Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015. The financial statements were adopted and authorised for issue with the resolution of the Company's Board of Directors on 14th April, 2021.

The Company has significant accumulated losses as at 31st March, 2021. The Board of Directors have assessed the funding required for the next one year (considering the uncertainties involved) and given the unused credit facilities available and committed capital infusion expected from the shareholders, believe that the Company has adequate funding available to continue as a going concern. Accordingly these financial statements continue to be prepared on a going concern basis.

(b) Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value 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. Fair value is the prices that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; regardless of whether that prices is directly observable or estimated using another valuation technique.

(c) Property, Plant and Equipment & Intangible Assets

i. Tangible Assets

Tangible assets (including Capital Work in progress) are stated at cost less accumulated depreciation and accumulated impairment losses, if any . Pre-operation expenses including trial run expenses (net of revenue) are capitalised. Borrowing costs during the period of construction are added to the cost of qualifying tangible assets. Freehold land, if any, is not depreciated.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon it's disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss.

ii. Intangible Assets-

Intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses, if any. An intangible asset is recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets having finite useful lives are amortised on a straight-line basis over their estimated useful lives.

(d) Depreciation and Amortization

Depreciation and amortisation is provided on a straight line basis over the useful life of the assets as specified in Schedule II to the Companies Act, 2013, except in case of Plant & Machinery and Computer & Data Processing Units –End User Devices Such as Laptop & Desktop where the estimated useful life of 4 years has been considered. However, asset value up to Rs 25,000 is fully depreciated in the year of acquisition. The details of estimated life for each category of asset are as under:

- i) Buildings - 30 to 60 years.
- ii) Roads - 5 Years

Notes to Financial Statements

- iii) Plant and Machinery-(Continuous Processing Plant)* - 45 years
- iv) Plant and Machinery (Others) * -5 to 45 years
- v) Railway Siding - 15 years
- vi) Furniture and fittings - 10 years
- vii) Motor vehicles - 5 years
- viii) Electrical installations -10 years
- ix) Computer & Data Processing Units - 4 to 6 years
- x) Office equipment - 5 years
- xi) Intangible assets - 6 to 10 years.

**For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the Company believes that the useful lives as given above best represent the period over which company expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.*

The estimated residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each reporting period and adjusted prospectively.

(e) Financial Instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

i. Financial Assets

Initial recognition and measurement

All Financials assets 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.

For the purposes of subsequent measurement, Financial Assets of the Company are measured either at amortised cost or at fair value depending on the classification of the financial assets.

- (i) Debt instruments that meet the following condition are subsequently measured at amortised cost:
- (ii) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (iii) Contractual terms of the asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All Debt instruments, not meeting the criteria for categorisation at amortised cost or fair value through other comprehensive income is carried at fair value through profit and loss (FVTPL). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and Loss account.

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. The Company recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction.

ii. Financial Liabilities

Initial recognition and measurement

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss. All financial liabilities are recognised initially at fair value and in case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Trade and Payables

Trade and other payables are initially measured at fair value, net of transactions cost, and are subsequently measured at amortised cost, using the effective interest rate method where time value of money is significant.

Notes to Financial Statements

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised costs using the Effective Interest rate [EIR method]. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance cost in the statement of profit and loss.

(f) Foreign Currency Transactions

Transactions in currencies other than the entity functional currency are recorded at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are restated at year-end rates.

Exchange differences arising on the retranslation or settlement of monetary currency items are included in the statement of profit and loss for the period.

The Company uses derivative financial instruments, such as forward currency contracts, cross currency swaps to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss.

(g) Investment

Current investments are carried in the financial statements at lower of cost and fair value.

(h) Revenue Recognition

Sale of Goods- The Company manufactures and sells Automotive and Nonautomotive CRCA Steel. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of obsolescence and loss have been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Revenue includes consideration received or receivable but excludes Goods and Service Taxes, and are net of discounts and rebates.

Income from Services- Revenue from processing activities is recognized as and when service for those activities is completed.

Interest- Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Export Incentive Scheme- Export Incentive under various scheme notified by the government has been recognised on the basis of amount received/license received.

(i) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred recognised in the profit & loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non current liabilities as deferred income/liabilities and are credited to the statement of profit and loss on straight line basis over the expected live of the assets or based on satisfying stipulation/obligation in this regard.

(j) Inventories

Raw Materials purchased and Finished goods produced are valued at lower of cost and net realizable value. Cost comprises direct materials and where applicable, labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the

Notes to Financial Statements

inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Store and spare parts are carried at cost.

(k) Employee's benefits

(i) Short-term Employee Benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current (creditors for accrued wages and salaries) in Balance Sheet.

(ii) Post - Employment Benefits

Defined Benefit Plans

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually at year end by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity. Changes in the present value of the defined benefit obligations resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

(iii) Other long-term Employee Benefits

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

(l) Borrowing Cost

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowing. (i) Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as a part of cost of the assets. (ii) Fees towards structuring / arrangements and underwriting and other incidental costs incurred in connection with borrowings are amortized over the period of the loan using the effective interest method. (iii) All other borrowing costs are recognised in the statement of profit and loss in which they are incurred.

(m) Provision for Tax and Deferred Tax

(i) Current Tax

The tax currently payable is based on taxable profit for the year. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Taxable profit differ from 'profit before tax' as reported in the consolidated statements of profit and loss because of items of income or expense that are taxable or deductible in other years and item that are never taxable or deductible. The company's current tax, if applicable, is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Notes to Financial Statements

(ii) 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 difference.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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 deferred tax asset to be utilised.

(n) Provisions

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of time value of money is material, provision are discounted using a current pre tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

(o) Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence and non occurrence of one or more uncertain events, beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resource will be required to settle the obligation. The Company does not recognise a contingent liability but disclose its existence in the financial statements.

(p) Segment Reporting

Operating Segment

The Company is engaged in the sole business of manufacturing of CRCA steel, which in the context of Ind - AS 108 "Operating Segments" is the only business activity which the Company is engaged in. Hence the Company reports its financial information for its only operating segment and business activity.

(q) Cash and Cash Equivalents

Cash and Cash Equivalents in the balance sheet comprise of Cash at banks, in hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(r) Impairment of Assets

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

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. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss immediately.

(s) Earning per share

Basic earnings per shares has been computed by dividing profit or loss of the year by the weighted average number of shares outstanding during the period. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares except where the results would be anti dilutive.

Notes to Financial Statements

(t) Lease

New standard Ind AS 116 has been notified and the same is applicable from 1st April, 2019, the Company has assessed its applicability and conclude that identified lease is not material and hence not accounted for in line with newly issued standard.

(u) Use of estimates and critical accounting judgements

In the preparation of financial statements, the Company makes judgements, estimates and assumptions about the carrying values 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key source of estimation of uncertainty at the date of standalone financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property, plant and equipment and intangible assets, valuation of deferred tax assets as discussed below. Key source of estimation of uncertainty in respect of revenue recognition, employee benefits, Provisions, Contingent liabilities and fair value measurements of financial instruments have been discussed in the respective policies.

Impairment

The Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

Useful lives of property, plant and equipment and intangible assets

The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. This Policy has been detailed in note 2 (m).

(v) Recent accounting pronouncements

On 24th July, 2020 the Ministry of Corporate Affairs (MCA) vide notification dated 24th July, 2020 amended the following Ind AS:

Amendment in Ind AS 1, Presentation of Financial Statements and Accounting Policies & Ind AS 8, Changes in Accounting Estimates and Errors: As per the amendment a new definition of Material has been introduced. The Company has assessed the same and no such impact on the Financial Statement.

Amendment in Ind AS 10, Events after the Reporting Period:- Not Applicable to Company since there is no such event post reporting period.

Amendment in Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets: Not Applicable to Company as there is no restructuring plan opted by the Company.

Amendments to Ind AS 103, Business Combinations- Not Applicable to Company since no such transactions during the year.

Amendment in Ind AS 107, Disclosures to be made in respect of financial instruments & Ind AS 109, financial reporting of financial assets and financial liabilities: The disclosures made in the financial statements are adequate as per amendments.

Ind AS 116- As per the management assessment, there is no significant impact of this amendment on the Company.

Notes to Financial Statements

03 - Property, Plant & Equipment and Capital work in Progress

Particulars	In Rs. Lakhs									
	Building*	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipments	Roads	Railway Sidings	Total Assets	Capital work-in-progress	
Gross Block at 31.03.2019	25,203.40	1,99,311.60	271.04	22.82	639.26	932.64	701.30	2,27,082.06	1,081.04	
Additions during the year	22.20	1,818.81	11.43	-	45.72	-	-	1,898.16	1,141.14	
Deletion during the year	-	(330.76)	-	-	-	-	-	(330.76)	(1,911.42)	
Gross Block at 31.03.2020	25,225.60	2,00,799.65	282.47	22.82	684.98	932.64	701.30	2,28,649.46	310.76	
Additions during the year	66.51	2,222.40	-	-	45.47	-	-	2,334.38	2,189.78	
Deletion during the year	-	(161.02)	-	-	-	-	-	(161.02)	(2,268.33)	
Gross Block at 31.03.2021	25,292.11	2,02,861.03	282.47	22.82	730.45	932.64	701.30	2,30,822.82	232.21	
Accumulated Depreciation at 31.03.2019	3,308.13	31,737.41	144.50	19.56	415.35	758.68	183.20	36,566.83	-	
Depreciation during the year	828.76	6,664.71	29.05	3.26	93.64	173.96	47.46	7,840.84	-	
Depreciation on assets written off during the year	-	(92.01)	-	-	-	-	-	(92.01)	-	
Accumulated Depreciation at 31.03.2020	4,136.89	38,310.11	173.55	22.82	508.99	932.64	230.66	44,315.66	-	
Depreciation during the year	830.91	6,906.59	18.91	-	86.80	-	47.46	7,890.67	-	
Depreciation on assets written off during the year	-	(138.02)	-	-	-	-	-	(138.02)	-	
Accumulated Depreciation at 31.03.2021	4,967.80	45,078.68	192.46	22.82	595.79	932.64	278.12	52,068.31	-	
Net book value										
At 31.03.2021	20,324.31	1,57,782.35	90.01	-	134.66	-	423.18	1,78,754.51	232.21	
At 31.03.2020	21,088.71	1,62,489.54	108.92	-	175.99	-	470.64	1,84,333.80	310.76	

* Represents building constructed on leasehold land.

(i) Included in the carrying value of property, plant and equipment are assets amounting to Rs. 178,754.51 Lakhs (31.03.2020: Rs. 184,333.80 Lakhs) which are pledged as collateral against borrowings. Refer note 12 (III).

04 - Other Intangible Assets

Particulars	In Rs. Lakhs		
	Software Costs	Technological Licences	Total
Gross Block at 31.03.2019	1,569.46	3,692.41	5,261.87
Additions during the year	13.26	-	13.26
Gross Block at 31.03.2020	1,582.72	3,692.41	5,275.13
Additions during the year	7.63	-	7.63
Gross Block at 31.03.2021	1,590.35	3,692.41	5,282.76
Accumulated amortisation at 31.03.2019	996.64	1,489.36	2,486.00
Amortisation during the year	486.38	155.15	641.53
Accumulated amortisation at 31.03.2020	1,483.02	1,644.51	3,127.53
Amortisation during the year	107.33	500.91	608.24
Accumulated amortisation at 31.03.2021	1,590.35	2,145.42	3,735.77
Net book value			
At 31.03.2021	0.00	1,546.99	1,546.99
At 31.03.2020	99.70	2,047.90	2,147.60

Notes to Financial Statements

In Rs. Lakhs

05 - Other Non Current Assets		As at 31.03.2021	As at 31.03.2020
(I) Capital advances		1.37	0.90
(II) Advances other than capital advances			
(a) Security Deposits		2.52	2.52
(b) Advance Income tax (net of provision)		374.36	521.66
Total other Non-Current Assets		378.25	525.08
06 - Inventories		As at 31.03.2021	As at 31.03.2020
(I) Raw Materials (at lower of cost and net realisable value)		888.50	831.02
(II) Finished Goods (at lower of cost and net realisable value)		21,701.50	23,984.78
(III) Stores and spares (at cost)		8,167.67	8,783.75
Total Inventory		30,757.67	33,599.55
07 - Trade Receivables		As at 31.03.2021	As at 31.03.2020
(I) Trade Receivables			
(i) Secured, considered good		-	-
(ii) Unsecured, considered good		33,635.98	11,152.53
(iii) Doubtful (credit impaired)		-	500.00
		33,635.98	11,652.53
(II) Impairment Allowance (allowance for bad and doubtful debts)			
(i) Doubtful		-	500.00
Total Trade Receivables		33,635.98	11,152.53
<p>In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.</p>			
(III) List of customers who represent more than 5% of the total balance of Trade Receivables.			
Hyundai Steel India Pvt Ltd		4,047.81	934.88
Mahindra & Mahindra Ltd		-	604.35
Tata Motors Ltd		-	683.37
Neel Metal Products Ltd		1,991.03	795.49
Caparo Maruti Ltd		2,852.04	1,087.72
TT Steel Service India Pvt. Ltd		3,446.14	858.20
Vee Gee Ind Enterprise Pvt Ltd		2,885.11	1,860.79
Rajasthan Prime Steel Proc. Centre		1,645.88	989.76
Maruti Suzuki India Ltd		3,071.76	-
Mahindra CIE Automotive Ltd		-	-
		19,939.77	7,814.56
(IV) Ageing of receivables:			
Amounts not yet due		32,953.25	8,067.25
1-30 days past due		676.61	3,572.95
31-60 days past due		4.91	11.59
61-90 days past due		0.09	0.17
91-180 days past due		0.10	0.44
Greater than 181 days past due		1.02	0.13
		33,635.98	11,652.53
(V) Average credit period for the trade receivables is in the range of 30 - 40 days			
(VI) In the previous year uncertainty arose due to outbreak of COVID 19, resulting in provision of Rs. 500 Lakhs. During the year the same has been reversed on account of collection of the same.			
08 - Cash and cash equivalent		As at 31.03.2021	As at 31.03.2020
(I) Balances with banks			
(a) In current accounts		2,815.81	824.88
(b) Deposits with Maturity less than three months		5,750.00	-
Total Cash And Bank Balances		8,565.81	824.88
09 - Other Current Assets		As at 31.03.2021	As at 31.03.2020
(Unsecured, considered good)			
(a) Advance with public bodies		1,907.33	3,262.20
(b) Advance to related parties		317.71	340.37
(c) Other advances		528.22	419.61
Total Other Current Assets		2,753.26	4,022.18

Notes to Financial Statements

In Rs. Lakhs

10 - Equity Share Capital

(1) Authorised Share Capital	No. of Shares	Amount In Rs. Lakh
As at 31.03.2019	1,45,00,00,000	1,45,000
Increase/(Decrease) during the year	-	-
As at 31.03.2020	1,45,00,00,000	1,45,000
Increase/(Decrease) during the year	-	-
As at 31.03.2021	1,45,00,00,000	1,45,000

Terms / rights attached to equity shares

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

(2) Issued and Subscribed capital	No. of Shares	Amount In Rs. Lakh
Equity shares of Rs.10 each issued and subscribed		
As at 31.03.2019	1,23,20,00,000	1,23,200
Increase during the year	12,00,00,000	12,000
As at 31.03.2020	1,35,20,00,000	1,35,200
Increase during the year	8,00,00,000	8,000
As at 31.03.2021	1,43,20,00,000	1,43,200

(3) Fully Paid Equity Capital	No. of Shares	Amount In Rs. Lakh
Equity shares of Rs.10 each issued, subscribed and fully paid		
As at 31.3.2019	1,23,20,00,000	1,23,200
Increase during the year	12,00,00,000	12,000
As at 31.03.2020	1,35,20,00,000	1,35,200
Increase during the year	8,00,00,000	8,000
As at 31.03.2021	1,43,20,00,000	1,43,200

(4) Shareholders holding more than 5 percent shares in the Company and shares held by the holding company:

Name of Shareholders	As at 31.03.2021		As at 31.03.2020	
	No of Shares	% of holding of equity shares	No of Shares	% of holding of equity shares
Tata Steel Downstream Products Limited	73,03,20,000	51%	68,95,20,000	51%
Nippon Steel Corporation	70,16,80,000	49%	66,24,80,000	49%
	<u>1,43,20,00,000</u>		<u>1,35,20,00,000</u>	

* On 01.01.2021, Tata Steel Limited transferred its stake to Tata Steel Downstream Products Limited.

(5) Aggregate no. of shares issued for consideration other than cash

296,483,085 Shares of the face value of Rs.10 per share were issued to Tata Steel Limited on acquisition of assets, for consideration other than cash.

Notes to Financial Statements

In Rs. Lakhs

11- Other Equity		As at 31.03.2021	As at 31.03.2020	
Retained Earnings				
Balance at the beginning of the year		(51,160.29)	(50,382.48)	
Profit/(Loss) for the year		20,653.29	(777.81)	
Total Other Equity		(30,507.00)	(51,160.29)	
12 - Borrowings		As at 31.03.2021	As at 31.03.2020	
(I) Non Current Borrowings				
Secured Borrowings				
Term loan from banks and financial institutions		77,348.27	98,956.92	
Total Non-Current Borrowings		77,348.27	98,956.92	
(II) Current Borrowings		As at 31.03.2021	As at 31.03.2020	
Secured Borrowings				
Repayable on Demand from banks		-	7,937.95	
Unsecured Borrowings				
Bills Discounted		1,397.04	678.65	
Total Current Borrowings		1,397.04	8,616.60	
Net Debt Reconciliation		As at 31.03.2021	As at 31.03.2020	
Cash and Cash Equivalents		8,565.81	824.88	
Current Borrowings		(1,397.04)	(8,616.60)	
Non-Current Borrowings (Including current maturities of long-term borrowings and Accrued Interest)		(98,914.47)	(1,19,697.98)	
		(91,745.70)	(1,27,489.70)	
Particulars	Cash and bank overdraft	Non Current Borrowings	Current Borrowings	Total
Net debt as at 01.04.2020	824.88	(1,19,697.98)	(8,616.60)	(1,27,489.70)
Cash Flow	7,740.93	15,824.08	7,219.56	30,784.57
Forex Adjustment	-	4,437.15	-	4,437.15
Interest Expenses	-	(8,810.55)	(409.45)	(9,220.00)
Interest Paid	-	9,445.29	409.45	9,854.74
Net Loan Processing Cost	-	(112.46)	-	(112.46)
Net debt as at 31.03.2021	8,565.81	(98,914.47)	(1,397.04)	(91,745.70)
Particulars	Cash and bank overdraft	Non Current Borrowings	Current Borrowings	Total
Net debt as at 01.04.2019	350.55	(1,36,185.28)	(4,395.79)	(1,40,230.52)
Cash Flow	474.33	19,300.55	(4,220.81)	15,554.08
Forex Adjustment	-	(3,283.04)	-	(3,283.04)
Interest Expenses	-	(7,562.58)	(495.95)	(8,058.53)
Interest Paid	-	7,991.78	495.95	8,487.73
Net Loan Processing Cost	-	40.59	-	40.59
Net debt as at 31.03.2020	824.88	(1,19,697.98)	(8,616.60)	(1,27,489.70)

Notes to Financial Statements

(III) Additional information:

(i) Non Current Borrowings

- A. Indian Rupee Loan from Punjab National Bank, amounting to Rs. 8,600 Lakhs outstanding till 31.03.2021 (31.03.2020 :Rs 10,475 Lakhs) has been taken over by the HDFC Bank. The loan is repayable in 40 quarterly instalments commenced from 30th June, 2016. The loan is secured by first pari passu charge over all the Project Assets and Current Assets. created by the Borrower by way of hypothecation in favour of the Security Trustee for the benefit of the Other Project Lenders.
- B. Foreign currency loan (External Commercial Borrowing) from Japan Bank for International Cooperation and other lenders amounting to USD 31.73 Million equivalent to Rs. 23,202.52 Lakhs is outstanding on 31.03.2021 (31.03.2020: USD 47.60 Million equivalent to Rs.35,986.67 Lakhs). The loan is in two tranche, Tranche -A being lend by Japan Bank for International Cooperation and Tranche-B lend by others. Interest is payable semi-annually, commenced from 9th May, 2013. The Loan is repayable in 16 semi-annual instalments commenced from 9th May, 2015. The loan is secured by first pari passu charge over all the Project Assets and Current Assets created by the Borrower by way of hypothecation in favour of the Security Trustee for the benefit of the Other Project Lenders. Further the loan has been guaranteed by M/s. Nippon Steel Corporation , the Joint Venturer.
- C. Indian Rupee Loan from Kotak Mahindra Bank, amounting to Rs. 4,500 Lakhs outstanding till 31.03.2021 (31.03.2020 :Rs 7,875 Lakhs). The loan is repayable in 16 quarterly instalments commencing from 5th February, 2018. The loan is secured by first pari passu hypothecation charge to be shared with Multiple Banks/Term Lenders on Project Assets and Current Assets.
- D. Indian Rupee Loan from Tata Capital Finance Service Ltd, EXIM Bank and ICICI Bank amounting to Rs. 34,687.50 Lakhs drawn till 31.03.2021 (31.03.2020 :Rs 35,968.75 Lakhs). The loan is repayable in 28 quarterly instalments commencing from 30th June, 2019. The loan is secured by first pari passu hypothecation charge to be shared with Multiple Banks/Term Lenders on Project Assets and Current Assets . During the year South Indian Bank Term Loan and 50% of Tata Capital Financial Services Ltd. was totally repaid by new Term Loan of ICICI Bank.
- E. Foreign currency loan (External Commercial Borrowing) from Sumitomo Mitsui Banking Corporation amounting to USD 38.06 Million equivalent to Rs. 27,829.40 Lakhs is outstanding on 31.03.2021 (31.03.2020 : USD 38.06 Million equivalent to Rs.28,775.25 Lakhs). Interest is payable semi-annually, commenced from 8th May, 2020. The Loan is repayable in 3 annual instalments commenced from 8th November, 2023. The loan is secured by first pari passu charge over all the Fixed and Movable Assets created by the Borrower by way of hypothecation in favour of the Security Trustee for the benefit of the Lenders.
- F. The outstanding balances as indicated in (i) A to (i) E are inclusive of current maturity of long term borrowing (disclosed in notes 15 (a)) and loan processing cost, amounting to Rs. 379.06 Lakhs (31.03.2020 :Rs. 491.47 Lakhs).
- G. Interest of ECB loan is 6 months LIBOR and spreads in range of 0.25% to 1.95%. For rupee term loan, rate of interest is ranging from 7.5 % to 10.5% during the year.

(ii) Current Borrowings

- A. Cash Credit from Punjab National Bank, amounting to NIL taken till 31.03.2021 (31.03.2020 :Rs 7,937.95 Lakhs). This cash credit facility is secured through first charge on hypothecation of all items of inventory and book debts of the Company and second charge on Project Assets.
- B. Bill discounted from HDFC Bank, amounting to Rs. 1,397.04 Lakhs till 31.03.2021 (31.03.2020 :Rs 678.65 Lakhs). This facility is unsecured.

(iii) The maturity of the gross borrowings of the Company at the end of period is as follows:

In one year or less or on demand	-	-
Between one and two years	18,820.01	22,011.18
Between two and three years	18,688.97	20,104.93
Between three and four years	17,245.22	18,848.00
Between four and five years	18,182.72	17,857.38
More than 5 years	4,687.49	20,513.61
Total contractual cash flows	77,624.41	99,335.10
Less: Capitalisation of transactions	276.14	378.18
Total Non-Current Borrowings	77,348.27	98,956.92
Total Current Borrowings	1,397.04	8,616.60
Total Current Maturity of Long Term	21,092.09	19,632.26
Total Borrowings	99,837.40	1,27,205.78

(iv) The currency and interest exposure of borrowings of the Company at the end of the period are as follows

INR		
Fixed	-	-
Floating	24,662.50	54,318.75
USD (In million)		
Fixed	-	-
Floating	69.80	85.66

(a) The floating rate borrowings in USD are bank borrowing bearing interest rate based on LIBOR with spread and the same has been hedged using cross currency interest rate swap.

(v) Some of the Company major financing arrangements include financial covenants, which require compliance to certain financial indebtedness to tangible net worth (Maximum 3 times) and fixed assets coverage ratios (Minimum 1.25 times). The Company has complied with these covenant's requirement throughout the applicable period.

(vi) The Company availed the moratorium of 6 months i.e till 31st August 2020 on certain long-term borrowings for interest and principal payment per the RBI circular dated 27/03/2020. Based on the assessment, there is no significant impact on the carrying values of the borrowings.

Notes to Financial Statements

In Rs. Lakhs

13 - Provisions	As at 31.03.2021	As at 31.03.2020
(I) Non Current Provisions		
Provision for employee benefits		
Provision for gratuity (Refer note 26)	152.05	125.59
	152.05	125.59
(II) Current Provisions		
Provision for employee benefits		
Provision for compensated absences*	223.44	205.90
	223.44	205.90
Total Provisions	375.49	331.49
<p>*The entire amount of provision of compensated absences of Rs. 223.44 (31.03.2020: Rs. 205.90) is presented as current, since the Company does not have an unconditional right to defer settlement of any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leaves or require payment for such leaves within the next 12 months.</p>		
14 - Trade Payables	As at 31.03.2021	As at 31.03.2020
Creditors for suppliers / services		
Due to Micro, Small & Medium Enterprises (Refer note 32)	142.91	273.66
Due to creditors other than Micro, Small Medium Enterprises	35,671.76	19,174.37
Total Trade Payables	35,814.67	19,448.03
15 - Other Financial Liabilities	As at 31.03.2021	As at 31.03.2020
(a) Current maturities of long-term borrowings (Refer note 12)	21,092.09	19,632.26
(b) Interest accrued but not due	474.07	1,108.81
(c) Derivative financial liabilities	36.59	-
(c) Creditors for capital supplies/services	1,436.18	1,507.62
(d) Employees benefit payables	1,004.20	554.96
Total Other Financial Liabilities	24,043.13	22,803.65
16 - Other Current Liabilities	As at 31.03.2021	As at 31.03.2020
(a) Advance from customers (contract liabilities)	1,402.04	1,008.24
(b) Statutory tax payables	1,287.07	421.60
Total Other Current Liabilities	2,689.11	1,429.84

Notes to Financial Statements

In Rs. Lakhs

17 - Revenue From Operations	Year ended 31.03.2021	Year ended 31.03.2020
(I) Sale of Products	2,11,678.81	1,78,811.29
(II) Rendering of services	1,112.83	2,904.49
(II) Other Operating Income	3,817.93	6,747.41
Total Revenue From Operations	2,16,609.57	1,88,463.19
 18 - Other Income	 Year ended 31.03.2021	 Year ended 31.03.2020
(I) Interest income on bank deposits	55.34	0.22
(II) Net gain on sale of current investments	21.30	-
(III) Other Miscellaneous Income	209.14	345.01
Total Other Income	285.78	345.23
 19 - Raw Material Consumed	 Year ended 31.03.2021	 Year ended 31.03.2020
Full hard cold rolled coils	1,44,367.78	1,34,393.12
Total Raw Materials Consumed	1,44,367.78	1,34,393.12
 20 - Changes In Inventories of Finished Goods	 Year ended 31.03.2021	 Year ended 31.03.2020
Inventories at the end of the year		
Finished goods	21,701.50	23,984.78
	21,701.50	23,984.78
Inventories at the beginning of the year		
Finished goods	23,984.78	24,283.45
Net Change in Inventories	2,283.28	298.67

Notes to Financial Statements

In Rs. Lakhs

21 - Employee Benefit Expense	Year ended 31.03.2021	Year ended 31.03.2020
(I) Salaries and wages, including bonus	2,561.05	2,422.71
(II) Contribution to provident funds and others (Refer note 26)	96.74	98.21
(III) Contribution to gratuity funds (Refer note 26)	65.25	46.73
(IV) Staff welfare expenses	124.74	114.14
Total Employee Benefit Expense	2,847.78	2,681.79
22- Finance Costs	Year ended 31.03.2021	Year ended 31.03.2020
(I) Interest expense		
(a) On Long Term Borrowings	5,826.64	7,562.58
(b) On Short Term Borrowings	409.45	495.95
(II) Other borrowing costs	152.09	898.29
(III) Interest Swap costs	2,983.91	1,866.42
Total Finance Costs	9,372.09	10,823.24
23 - Other Expenses	Year ended 31.03.2021	Year ended 31.03.2020
(I) Power and fuel	4,259.32	6,026.38
(II) Rent	76.80	89.65
(III) Rates and taxes	223.42	13.27
(IV) Insurance charges	199.07	161.57
(V) Consumption of Stores & Spares	1,392.55	1,719.52
(VI) Operation & Maintenance Services	1,274.13	965.98
(VII) Freight and handling charges	12,555.45	12,042.90
(VIII) Roll grinding & texturing expenses	185.89	200.32
(IX) Conversion charges	4,013.21	3,465.32
(X) Inspection, Testing & Analysis Charges	31.23	34.03
(XI) Packing Charges	2,212.93	2,232.65
(XII) Repairs to machinery	2,022.19	2,264.90
(XIII) Repairs to Building	19.94	48.94
(XIV) Loss on Assets Discarded/Written Off	23.00	238.74
(XV) Allowance for doubtful debts	(500.00)	500.00
(XVI) Sales Commission	799.01	751.82
(XVII) Others *	121.18	2,056.61
Total Other Expenses	28,909.32	32,812.60
* Others include:		
(a) (Gain) / Loss on cancellation of forwards, swaps and options	(306.36)	(3,637.56)
(b) Net (gain) / loss on foreign currency transactions	(1,868.38)	5,752.43
(c) Change in Fair value of Swaps and Derivatives	1,755.47	(756.97)
(d) Legal and other professional costs	76.62	78.87
(e) Auditors remuneration and out-of-pocket expenses		
(i) Statutory Audit Fees	12.70	7.80
(ii) Tax Audit Fees	1.00	1.00
(iii) For Other services	2.00	2.00
(iii) Auditors out of pocket expenses	0.76	3.71
(f) Cost Audit Fees [Including out of pocket expenses Nil (FY 20 Nil)]	1.60	1.60
(g) Director Sitting Fees	-	5.43

Notes to Financial Statements

24. Related party transactions

List of Related Party and relationships

Name of Party

A. Ultimate Holding Company - Tata Steel Limited (Effective from 01.01.2021)

B. Holding Company – Tata Steel Downstream Products Ltd (Tata Steel Limited Upto 31.12.2020)

C. Fellow Subsidiaries

- | | |
|---|--|
| i) TM International Logistics Limited | iv) Tata Steel International (Singapore) Pte Ltd |
| ii) TKM Global Logistics Limited | v) Jamshedpur Utilities and Services Co Ltd. |
| iii) Tata Steel Downstream Products Ltd (Upto 31.12.2020) | vi) T S Global Procurement Company Pte Ltd |

D. Associate of Holding

Metal Junction

E. Co- Venturer Group

- | | |
|----------------------------------|--|
| i) Nippon Steel Corporation | iii) Nippon Steel Technology |
| ii) Nippon Steel Engineering Co. | iv) Nippon Steel Engineering India Pvt Ltd |

F. Trustee of Company Employees Post Retirements Benefits

JCAPCPL Employees Gratuity Trust

G. Key Management Personnel –

- | | |
|--|--|
| Mr. Rajeev Singhal- Director | Mr. C.V. Sastry - Managing Director |
| Mr. Hiroshi Ebina- Chairman | Mr. J Ravichandran- Independent Director (upto 23.03.2020) |
| Mr. Dibyendu Dutta- Director | Ms. Smita Pandit Chakraborty- Independent Director (upto 23.03.2020) |
| Ms. Jaya Singh Panda- Director (w.e.f 15.04.2020) | Mr. Pingali Venugopal -Independent Director (upto 23.03.2020) |
| Mr. Soichi Yonezawa- Director | |

Related Party Transaction

Amount In Lakhs

Transaction	Holding	Ultimate Holding	Fellow Subsidiaries	Associate of Holding	Co-Venturer having significant influence	Key Management Person	Trustee of Company Employees Post Retirements Benefits	Gross Total
Receiving of Services	4,779.26 7,989.17	1,388.48 -	2,522.93 2,405.46	455.54 538.65	- -	- -	- -	9,146.21 10,933.28
Leasing or hire purchase arrangements	47.59 78.04	16.41 -	- -	- -	- -	- -	- -	64.00 78.04
Purchase of Goods	84,378.54 1,61,483.09	60,176.45 -	- -	- -	206.41 595.76	- -	- -	1,44,761.40 1,62,078.85
Outstanding Payable - Vendor	14.93 14,161.09	27,678.93 -	409.19 227.25	206.50 95.37	20.23 -	- -	- -	28,329.80 14,483.71
Finance received (including loans and equity contributions in cash or in kind)*	4,080.00 6,120.00	- -	- -	- -	3,920.00 5,880.00	- -	- -	8,000.00 12,000.00
Rendering of Services	1,022.10 3,339.89	276.74 -	- -	- -	- -	- -	- -	1,298.84 3,339.89
Sale of Goods	3,696.84 2,944.77	1,451.19 -	2,221.71 5,226.52	- -	- -	- -	- -	7,369.79 8,171.29
Outstanding Receivables-Debtors	197.70 512.27	538.05 -	- 314.44	- -	- -	- -	- -	735.75 826.71
Outstanding Receivables-Advances	- 252.47	233.51 -	41.94 19.90	- -	42.26 68.00	- -	- -	317.71 340.37
Balance payable to Fund	- -	- -	- -	- -	- -	- -	152.05 125.59	152.05 125.59
Managerial Remuneration/ Sitting Fees	- -	- -	- -	- -	- -	172.06 141.85	- -	172.06 141.85

The Remuneration of key management personnel during the year was as follows

	31.03.2021	31.03.2020
Short term benefits	165.54	129.90
Post employments benefits	6.52	6.52
Total	172.06	136.42

The remuneration of the key management personnel is determined by the remuneration committee.

Note

- Nippon Steel Corporation has given financial guarantee for External Commercial Borrowing taken by the Company [Refer note 12(III)(i)(B)].
- Tata Steel Limited has given financial guarantee for fulfilment of Export Obligation under Export Promotion Credit Guarantee Scheme. Current outstanding amount of Export Obligation is Rs. 5,199.27 Lakhs (Refer Balance Sheet).

Notes to Financial Statements

25. Financial Assets and Liabilities

The following table represent carrying amount and fair value of each category of financial assets and liabilities							In Rs. Lakhs	
As at 31.03.2021								
Particulars	Amortised Cost	Fair Value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Fair value through profit & loss	Total Carrying Value	Total Fair Value	
Financial Assets								
Trade Receivables	33,635.98	-	-	-	-	33,635.98	33,635.98	
Derivative financial assets	-	-	-	-	2,907.61	2,907.61	2,907.61	
Other financial assets	27.69	-	-	-	-	27.69	27.69	
Cash and cash equivalents	8,565.81	-	-	-	-	8,565.81	8,565.81	
Total financial assets	42,229.48	-	-	-	2,907.61	45,137.09	45,137.09	
Financial Liabilities								
Borrowings	99,837.40	-	-	-	-	99,837.40	99,837.40	
Derivatives financial liabilities	-	-	-	-	36.59	36.59	36.59	
Trade Payables	35,814.67	-	-	-	-	35,814.67	35,814.67	
Other financial liabilities	2,914.45	-	-	-	-	2,914.45	2,914.45	
Total financial liabilities	1,38,566.52	-	-	-	36.59	1,38,603.11	1,38,603.11	
As at 31.03.2020								
Particulars	Amortised Cost	Fair Value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Fair value through profit & loss	Total Carrying Value	Total Fair Value	
Financial Assets								
Trade Receivables	11,152.53	-	-	-	-	11,152.53	11,152.53	
Derivative financial assets	-	-	-	-	7,427.33	7,427.33	7,427.33	
Other financial assets	76.55	-	-	-	-	76.55	76.55	
Cash and cash equivalents	825.88	-	-	-	-	825.88	825.88	
Total financial assets	12,054.96	-	-	-	7,427.33	19,482.29	19,482.29	
Financial Liabilities								
Borrowings	1,27,205.78	-	-	-	-	1,27,205.78	1,27,205.78	
Trade Payables	19,448.03	-	-	-	-	19,448.03	19,448.03	
Other financial liabilities	3,171.39	-	-	-	-	3,171.39	3,171.39	
Total financial liabilities	1,49,825.20	-	-	-	-	1,49,825.20	1,49,825.20	
The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to level 3, as described below:								
Quoted price is an active market (Level 1):								
This level of hierarchy includes financial assets that are measured by reference to quoted price in active markets for identical assets and liabilities.								
Valuation techniques with observable inputs (Level 2):								
This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within level 1 that are observable for the assets and liability, either directly or indirectly.								
Valuation techniques with significant unobservable inputs (Level 3)								
This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data. Fair values are determined in whole or in part, using a valuation model based on the assumption that are neither supported by prices and observable current market transactions in the same instrument nor are they based on available market data.								
						As at 31.03.2021		
						Level 1	Level 2	Level 3
Financial assets and liabilities measured at fair value								
Investment						-	-	-
Derivative financial assets						-	2,907.61	-
						-	2,907.61	-
Derivative financial liabilities						-	36.59	-
						-	36.59	-
						Level 1	Level 2	Level 3
Financial assets measured at fair value								
Investment						-	-	-
Derivative financial assets						-	7,427.33	-
						-	7,427.33	-
Derivative financial liabilities						-	-	-
						-	-	-
Notes								
i. The short term financial assets and liabilities are stated at amortized cost which is approximately to their fair value.								
ii. Derivatives are fair valued using market observable rates and published prices together with forecast cash flow information where applicable.								
iii. There is no investment as at year ended 31.03.2021.								
iv. There have been no transfer between level 1 and level 2 for the years ended 31.03.2021 and 31.03.2020.								

Notes to Financial Statements

(b) Transfer of financial assets

The Company has certain trade receivables under the Bill Discounting arrangements with Banks. These do not qualify for derecognition, due to the recourse arrangement and credit enhancement being in place. Consequently the proceeds received from Bills Discounting arrangement are recorded and classified as short term loan. The carrying amount of trade receivables along with the associated liabilities is as follows:

Nature of Asset	As at 31.03.2021		As at 31.03.2020	
	Carrying amount of asset sold	Carrying amount of associated Liability	Carrying amount of asset sold	Carrying amount of associated Liability
Trade Receivables	1,397.04	1,397.04	678.65	678.65

(c) Financial Risk Management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a Board approved risk management policy which covers the foreign exchange risks and interest rate risk.

(I) Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of change in the interest rate, foreign currency exchange rates, liquidity and other market changes.

(a) Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rate may have potential impact on the statement of profit and loss where any transaction reference more than one currency.

Particulars	As at 31.03.2021		As at 31.03.2020	
	USD	EURO	USD	In Lakhs EURO
Financial Assets				
Trade Receivables	-	-	-	-
Derivative Assets				
Cross Currency Interest Rate Swap	-	-	-	-
Foreign exchange forward Contracts	-	-	-	-
Net Exposure to foreign currency risk (assets)	-	-	-	-
Financial Liabilities				
Borrowings	51,031.92	-	64,761.92	-
Other financial Liabilities (interest and other payable)	302.35	-	776.30	-
Trade Payable	-	-	-	15.20
Derivative Liabilities				
Foreign exchange forward Contracts				
Principal Swap	(51,334.27)		(65,538.22)	
Net exposure to Foreign Currency Risk	-	-	-	15.20

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the net income before tax approximately by Rs. 7,313.79 Lakhs (31.03.2020 Rs. 6,555.34 Lakhs) and Rs. 7,313.79 Lakhs (31.03.2020 Rs. 6,555.34 Lakhs) respectively. Out of the Rs. 7,313.79 Lakhs (31.03.2020 6,555.34 Lakhs) Rs. 7,313.79 Lakhs (31.03.2020: Rs. 6,555.34) is on USD 69.79 Million ECB (FY20: USD 85.96 Million) which is fully hedged through a Cross Currency and Interest Rate Swap whereby its impact on cash flow is totally mitigated. For the remaining exposure amount is not material.

(b) Interest rate risk:

Interest rate risk is measured by using the cash flow sensitivity for change in variable interest rates. Any movement in reference rates could have an impact on the Company cash flows as well as cost.

Based on the composition of net debt at 31 March, 2021, a 100 basis points increase in interest rate over the 12 months period would increase the company net finance expenses by approximately Rs. 933.93 Lakhs (31.03.2020: Rs. 1,171 Lakhs) and decrease equity by approximately Rs. 933.93 Lakhs (31.03.2020: Rs. 1,171 Lakhs).

Derivative Financial Instruments

The Company holds derivative financial instruments such as foreign currency forward contracts and cross currency interest rate swap to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivatives financial instruments are valued based on inputs that are directly or indirectly observable in the market place.

	As at 31.03.2021		As at 31.03.2020	
	In Instrument Currency	In Rs. Lakhs	In Instrument Currency	In Rs. Lakhs
Cross Currency Interest Rate Swaps (USD)	6,97,96,779	51,031.92	8,56,63,919	55,837.88
Forward Contracts				
In USD	19,752	14.44	33,435	25.28
In EURO	78,668	67.49	1,96,037	162.45
In JPY	13,51,93,678	893.36	3,36,60,466	234.78
Total		52,007.21		56,260.39

(ii) Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risk.

Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables, loans and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risk.

The Risk relating to trade receivables is shown under note no 7.

(iii) Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has fund and non fund based working capital lines from various banks. Further more the Company has access to funds from debt market through commercial paper programme and Long Term Rupee Loan.

(a) The Company has access to following undrawn borrowing facilities at the end of the reporting period

Particulars	31.03.2021	31.03.2020
Expiring within one year (Cash Credit and Term Loan)	25,500	21,963

(b) The table below analyse the Company financial liabilities maturity based on their contractual maturities.

Contractual maturities of financial liabilities 31.03.2021	Less than six months	6-12 months	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Borrowings including current maturity of borrowings	11,322.67	11,166.46	18,709.01	53,951.77	4687.49	99,837.40
Trade Payables	35,814.67	-	-	-	-	35,814.67
Other financial liabilities	2,914.45	-	-	-	-	2,914.45

Contractual maturities of financial liabilities 31.03.2020	Less than six months	6-12 months	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Borrowings including current maturity of borrowings	17,973.76	10,275.11	21,900.18	56,543.13	20,513.61	1,27,205.78
Trade Payables	19,448.03	-	-	-	-	19,448.03
Other financial liabilities	3,171.39	-	-	-	-	3,171.39

Notes to Financial Statements

26. Employees Benefits

1. Defined Contribution Plan

The Company participates in number of defined contribution plans on behalf of its employees. Expenses recognised in relation to these scheme represents the value of contributions payable during the period by them at rates specified by the rules of those plans.

Total cost charged to statement of profit and loss in 31st March, 2021 amounted to Rs. 96.74 Lakhs (31.03.2020: Rs. 98.21 Lakhs).

(i) **Provident Fund:** In accordance with the regulation, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and Company make a monthly contribution at a specified percentage of the covered employee's salary.

(ii) **Others:** Others consist of company and employees contribution to:

(a) Employees Pension Scheme

2. Defined Benefit Plan

(i) **Retiring Gratuity:** The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. The Company make periodical contribution to gratuity funds established with Life Insurance Corporation of India. The Company accounts for liability for gratuity benefits payable in the future based on an actuarial valuation. The Company is exposed to actuarial risk and investment risk with respect to this plan.

The following table sets out the amount recognised in the financial statement for the retiring gratuity plans in respect of the Company.

	In Rs. Lakhs				
Change in defined benefit obligation	Year ended 31.03.2021	Year ended 31.03.2020			
Obligation as at beginning of the year	383.02	233.65			
Current service cost	56.77	45.65			
Interest cost	25.85	17.23			
Actuarial (gain)/loss	(40.85)	94.44			
Benefits paid	(5.71)	(7.95)			
Obligation as at end of the year	419.08	383.02			
Change in Plan Assets					
Fair value of plan assets as at beginning of the year	257.41	189.22			
Interest income	17.37	16.14			
Expected return on plan assets greater/(lesser) than discount rate	(3.74)	-			
Contributions	1.70	60.00			
Benefits paid	(5.71)	(7.95)			
Fair value of plan assets as at end of the year	267.03	257.41			
Amount recognised in the balance sheet consist of					
Fair value of plan assets as at end of the year	267.03	257.41			
Present value of obligation as at end of the year	419.08	383.02			
Net obligations recognised in the balance sheet	152.05	125.59			
Expenses recognised in the statement of profit & loss					
Current service cost	56.77	45.65			
Interest cost	8.48	1.08			
Expenses recognised in the statement of other comprehensive income					
Actuarial (gain) / loss	(37.10)	94.44			
Total Cost Recognised in the statement of profit & loss	28.15	141.17			
The assumption used in accounting for the retiring gratuity plans are as follows					
a. Discount rate	7.00%	6.80%			
b. Rate of escalation in salary (Officer/Non Officer)	10%/7.5%	10%/7.5%			
The table below outlines the effect on the service cost, the interest cost and the benefit obligation in the event of decrease/increase of 1% in the assumed rate of discount rate, salary escalation and inflation cost.					
Assumption	Change in assumption	Impact on scheme liabilities			
Discount Rate	Increase by 1%, decrease by 1%	Decrease by Rs. 51.05 Lakh (-12.2%) Increase by Rs. 62.90 Lakh (15.0%)			
Salary escalation	Increase by 1%, decrease by 1%	Decrease by Rs. 61.05 Lakh (14.6%) Increase by Rs. 50.64 Lakh (-12.6%)			
Expected contributions to post employment benefit plan(gratuity) for the year ending 31 March 2022 are Rs. 152.04 Lakhs.					
The weighted average duration of the defined benefit obligation is 15 years (31.03.2020 15 years). The expected maturity analysis of gratuity is as follows:					
Defined Benefit Obligation (Gratuity)	less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Defined Benefit Obligation (Gratuity)- 31 March 2021	17.35	13.49	148.24	4,509.76	4,688.84
Defined Benefit Obligation (Gratuity)- 31 March 2020	10.07	12.04	153.43	4,225.53	4,401.06
3. Other Long Term Benefits					
The leave obligation cover the Company's liability for leave encashment scheme. Provision is recognised based on actuarial valuation.					
4. Risk Exposure of the Defined Benefit Plan					
Defined benefit plan typically expose the Company to actuarial risks, the significant of which are detailed below:					
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.					
Interest Risk- A decrease in the bond interest rate will increase the plan liability, however this will be partially offset by an increase in the return on the plan debt investments.					
Longevity Risk- The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.					
Salary Risk- The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.					

Notes to Financial Statements

27 - Deferred Tax Assets

(i) Deferred tax in respect of total tax losses of Rs. 129,091 Lakhs (31.03.2020 Rs. 157,286 Lakhs) have not been recognised. The Company has started its commercial operation in March, 2015 and has completed its 6 years of commercial operation. In the absence of past history of the taxable profits, the Company has not recognised deferred tax assets on unused tax losses (business losses and unabsorbed depreciation) on prudent basis. Pursuant to the issuance of The Taxation Laws (Amendment) Ordinance, 2019 on September 20, 2019 which is applicable from AY 2020-21 onwards, the Company has opted to pay tax at concessional rate of 22% and accordingly has reduced the carry forward additional depreciation amounting to Rs. 36,494.67 Lakhs from its total tax losses.

(ii) Carry forward business losses (net off of dispute resolution under Vivad se Viswash Scheme) on which deferred tax asset has not been recognised will be expired based on the year of origination as follows:

Financial Year	In Rs. Lakhs	
	As at 31.03.2021	As at 31.03.2020
March, 2023	11,482.77	28,325.10
March, 2024	11,111.73	11,270.00
March, 2025	7,416.60	7,416.60
March, 2026	246.82	246.82

Note : During the year Company has opted for Vivad Se Vishwash scheme to settle disputed business loss claim under Income Tax, accordingly Unabsorbed business loss of Rs. 16,842.33 Lakhs and Rs. 158.33 Lakhs reduced from total unabsorbed business loss of FY 2015 and 2016. Above figure do not include unabsorbed carry forward depreciation.

28. Capital Management

The Company capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long term product and other strategic investment plans. The funding requirements are met through equity and long term/short term borrowing.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the debt portfolio of the group. The table below summarises the

	As at 31.03.2021	As at 31.03.2020
Equity Share Capital	1,43,200.00	1,35,200.00
Other Equity	(30,507.00)	(51,160.29)
Total Equity (A)	1,12,693.00	84,039.71
Non current borrowings	77,348.27	98,956.92
Current borrowings	1,397.04	8,616.60
Current maturity of non current borrowing	21,092.09	19,632.26
Gross debt (B)	99,837.40	1,27,205.78
Less: Cash & Cash Equivalents	8,565.81	824.88
Net Debt (C)	91,271.59	1,26,380.90
Net Debt to Equity (C/A)	0.81	1.50

29. Contingent Liability

(a) The Deputy Labour Commissioner, Jamshedpur (DLC) had sent a demand notice to the Company for payment of cess under the Building & Other Construction Workers (regulation of employment & conditions of service) Act, 1996 (BOCW) for engaging building workers for construction of plant and other establishments. The Company has represented to the Deputy Labour Commissioner that the constructions have happened inside Tata Steel Limited which is covered under Factories Act, 1948 therefore provisions of the BCOW would not be applicable to the Company. The Company has obtained factory license from 25.10.2013.

Potential liability on construction between the period of asset transfer from Tata Steel Limited till the date license was obtained would be Rs.186.54 Lakhs (31.03.2020: Rs. 186.54 Lakhs), excluding interest, if any.

(b) The Company has received a demand notice of Rs. 0.15 Lakhs (31.03.2020: Rs. 0.15 Lakhs) from Income Tax Department in connection with the income tax assessment for F.Y. 2013-14. The Company has not found any merit on the demand and accordingly has filed an Appeal against the Order with the Commissioner Appeal of Income Tax.

(c) The Company has received a demand notice of Rs. 239 Lakhs (31.03.2020: Rs. 239 Lakhs) from Sales Tax Department in connection with the sales tax assessment for F.Y. 2014-15. The Company has not found any merit on the demand and accordingly has filed an Appeal against the Order with the Joint Commissioner of Commercial Taxes.

(d) The Company has received a demand notice of Rs. 26 Lakhs (31.03.2020: Rs. 26 Lakhs) from Sales Tax Department in connection with non payment of duty on material used in Job Work. The Company has not found any merit on the demand and accordingly has filed an Appeal against the Order with the Joint Commissioner of Commercial Taxes.

(e) The Company has received a demand notice of Rs. 10.84 Lakhs (31.03.2020: Rs. 10.84 Lakhs) from Sales Tax Department in connection with Sales Tax Assessment of for F.Y.2015-16. The Company has not found any merit on the demand and accordingly has filed an Appeal against the Order with the Joint Commissioner of Commercial Taxes.

(f) The Company has received a demand notice of Rs. 3,486.06 Lakhs (31.03.2020: Rs. NIL) from Central Excise Department in connection with availment of wrong input credit in the F.Y. 2013-14. The Company has not found any merit on the demand and accordingly has decided to file an Appeal against the Order with the CESTAT.

(g) The Company has received a demand notice of Rs. 84.82 Lakhs (31.03.2020: Rs. NIL) from Jharkhand Value Added Tax Department in connection with ITC reversal on Stock Transfer and enhanced purchases for the F.Y. 2016-17. The Company has not found any merit on the demand and accordingly has decided to file an Appeal against the Order with the Joint Commissioner (Appeal) of Commercial Tax.

(h) The Company has received a demand notice of Rs. 11.32 Lakhs (31.03.2020: Rs. NIL) from Central Sales Tax Department in connection with non submission of Form C in the F.Y. 2016-17. The Company has not found any merit on the demand and accordingly has decided to file an Appeal against the Order with the Joint Commissioner (Appeal) of Commercial Tax.

30. Earnings Per Share (EPS)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Profit/ (Loss) available to Equity Shareholders (A) (In Rs. Lakhs)	20,616.19	(683.37)
Weighted Average number of Equity Shares (B) (In Number)	1,41,89,86,302	1,29,75,60,109
Basic & Diluted earnings per share = A / B (In Rs.)	1.45	(0.05)

31. Commitment

Estimated amounts of contracts remaining to be executed on Capital Account and not provided for: Rs 1,623.24 Lakhs (31.03.2020: Rs 334.53 Lakhs).

32. The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

Notes to Financial Statements

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at the end of accounting year	142.91	273.66
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	145.04	72.12
(iv) Interest paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) Interest due and payable for the period ,where the principal has been paid but interest under the MSMED Act, 2006 not paid	1.92	0.91
(vi) The amount of interest accrued and remaining unpaid at the end of the year	5.25	3.33

33. Asset pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particular	Year ended 31.03.2021	Year ended 31.03.2020
Current		
Financial Assets		
Trade receivables	33,635.98	11,152.53
Cash and Cash Equivalent	8,565.81	825.88
Non Financial Asset		
Inventories	30,757.67	33,599.55
Total current assets pledged as security (A)	72,959.46	45,577.96
Non-Current		
Property, Plant & Equipment	1,78,754.51	1,84,333.80
Total Non-current assets pledged as security (B)	1,78,754.51	1,84,333.80
Total assets pledged as security (A+B)	2,51,713.97	2,29,911.76

34. The Company has assessed the possible impact of COVID-19, internal and external factors, on liquidity position, carrying amount of Property, Plant and Equipment, Other Intangible Assets, Inventories, Receivables and Other Current Assets as at 31.03.2021. Based on the assessment performed, the Company expects to recover the carrying amount of these assets. The management has also assessed that there are no events or conditions that impact the ability of the Company to continue as a going concern.

35. The Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management these amounts are not payable and have not been deposited during the year. The aforesaid matter is not likely to have a significant impact and accordingly no provision has been made in these financial statements.

36. Previous year's figures have been recast / restated where ever necessary.

36. Figures in italics are in respect of the previous year.

For and on behalf of the Board of Directors

Hiroshi Ebina
Chairman
(DIN: 08224876)

For Price Waterhouse & Co. Chartered Accountants LLP
Chartered Accountants
Firm Registration No: 304026E/E300009

Prashant Kumar
Company Secretary

Dibyendu Dutta
Director
(DIN: 01111150)

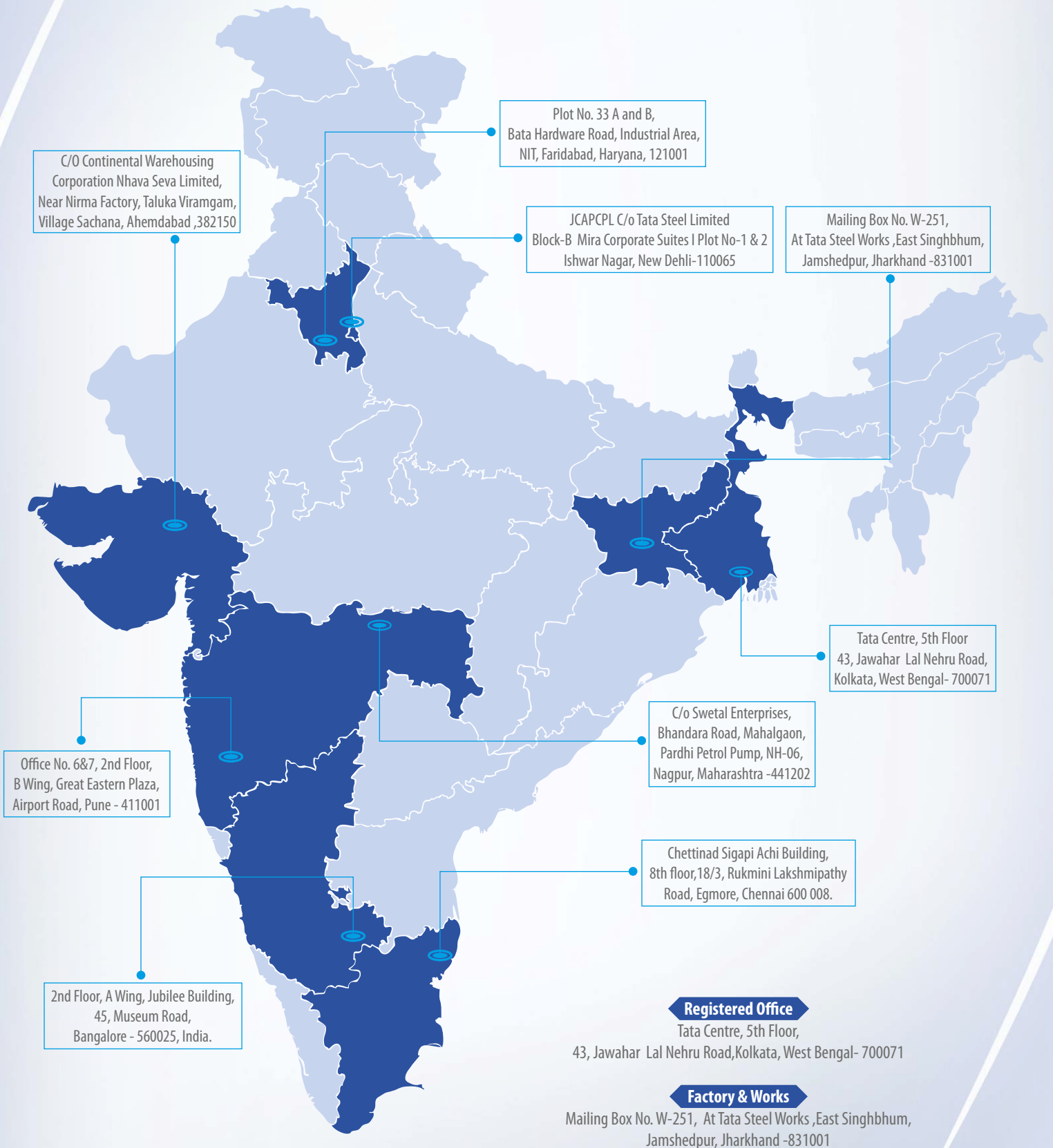
Sonika Burman
Partner
Membership No. 504839
Gurugram, 14th April, 2021

Atish Mangal
Chief Financial Officer
Kolkata, 14th April, 2021

C.V. Sastry
Managing Director
(DIN: 03434562)

Our Presence

Jamshedpur Continuous Annealing & Processing Company Private Limited



PRO Agility



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