

Basis of Preparation

We have reported the Contribution to Exchequer to the Government by JSW Steel and our subsidiaries under section 5 above. Further, the entities which were liquidated or have insignificant operations as on March 31, 2022, 2022 have been excluded from reporting. The major tax contribution is bifurcated amongst India, USA and Italy. Contribution in other jurisdiction is reflected under 'Others' category.

We have reported Contribution to Exchequer on cash basis. The reporting methodology followed for each type of Contribution to Exchequer has been detailed below:

Corporate Tax/Income Tax:

Direct Tax comprises of Corporate Income Tax but does not include Deferred Tax. These taxes are the actual payments made net off refunds received during the financial year under consideration with respect to Corporate Income Tax of the same year and/or of previous years.

Indirect Taxes:

Indirect Tax payments such as Customs Duty represent payments remitted to the Government Exchequer on cash basis. Indirect Tax payments made for reverse charge liability and on imports paid in cash also form part of the amount reported. Payment of taxes on procurements paid to vendors are not considered here. Also, any indirect taxes paid which are not available as input tax credit are considered here. It also includes other indirect taxes such as GST, and Excise Duty etc. which have been collected from customers and deposited with the government.

Typically, the amounts of indirect tax payments have been obtained from various statutory periodic forms/ returns and statements/ challans or any other documents being filed and maintained with the relevant government authorities.

Withholding Taxes:

Taxes collected include withholding taxes collected from vendors and employees, taxes collected from customers and other payroll taxes. A withholding tax is an income tax to be paid to the government by the payer of the income rather than by the recipient of the income. Withholding taxes usually apply to payments made to employees, vendors, service providers, non-residents, etc., of the company. This also includes taxes collected on various payments received from customers for prescribed goods or services.

Mining Royalty and Charges:

This comprises contributions made to the government in the form of Bid-premium and royalties for mining-related operations, and other mining-related payments for the extraction of minerals and ore.

Other Taxes and Charges:

This comprises taxes/cess/charges paid on consumption of water, generation of electricity, property tax, municipal taxes, forest development tax, vehicle tax, panchayat tax and other taxes borne. In addition, professional tax that is withheld from employee remuneration which is paid to the government by the respective companies in the capacity of an employer are also included.